

HAWKINS INC
Form 10-Q
February 05, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 27, 2015
Commission file number 0-7647

HAWKINS, INC.
(Exact name of registrant as specified in its charter)

MINNESOTA
(State or other jurisdiction of
incorporation or organization)
2381 ROSEGATE, ROSEVILLE, MINNESOTA 55113
(Address of principal executive offices, including zip code)
(612) 331-6910
(Registrant's telephone number, including area code)

41-0771293
(I.R.S. Employer
Identification No.)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. YES NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Large Accelerated Filer Accelerated Filer

Non-Accelerated Filer (Do not check if a smaller reporting company) Smaller Reporting Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES NO

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

CLASS	Shares Outstanding at January 29, 2016
Common Stock, par value \$.05 per share	10,565,434

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

HAWKINS, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(In thousands, except share data)

	December 27, 2015	March 29, 2015
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$20,815	\$18,639
Investments available-for-sale	410	14,485
Trade receivables — less allowance for doubtful accounts: \$406 as of December 27, 2015 and \$445 as of March 29, 2015	51,797	40,355
Inventories	49,343	37,028
Income taxes receivable	3,019	732
Prepaid expenses and other current assets	4,562	3,101
Total current assets	129,946	114,340
PROPERTY, PLANT, AND EQUIPMENT:		
Less accumulated depreciation and amortization	200,476	172,772
Net property, plant, and equipment	88,403	79,042
OTHER ASSETS:		
Goodwill	110,324	11,750
Intangible assets — less accumulated amortization: \$4,847 as of December 27, 2015 and \$3,933 as of March 29, 2015	63,960	11,154
Long-term investments available for sale	2,649	17,249
Other	244	239
Total other assets	177,177	40,392
Total assets	\$419,196	\$248,462
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$24,297	\$20,083
Dividends payable	—	4,038
Accrued payroll and employee benefits	8,736	6,122
Deferred income taxes	2,575	2,698
Current portion of long-term debt	5,000	—
Accrued stock and other acquisition-related compensation	7,283	—
Post close purchase price payable	2,479	—
Other current liabilities	6,908	3,402
Total current liabilities	57,278	36,343
LONG-TERM DEBT, LESS CURRENT PORTION		
PENSION WITHDRAWAL LIABILITY	125,321	—
DEFERRED INCOME TAXES	6,360	6,589
OTHER LONG-TERM LIABILITIES	29,756	9,978
Total liabilities	800	1,588
219,515	54,498	—
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY:		
Common stock; authorized: 30,000,000 shares of \$0.05 par value; 10,478,266 and 10,564,949 shares issued and outstanding as of December 27, 2015 and March 29, 2015, respectively	524	528

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Additional paid-in capital	47,531	50,901	
Retained earnings	151,632	142,567	
Accumulated other comprehensive loss	(6) (32)
Total shareholders' equity	199,681	193,964	
Total liabilities and shareholders' equity	\$419,196	\$248,462	

See accompanying notes to condensed consolidated financial statements.

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HAWKINS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)
(In thousands, except share and per-share data)

Three Months Ended

Nine Months Ended