

COMPX INTERNATIONAL INC
Form 10-Q
October 31, 2018

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarter ended September 30, 2018

Commission file number 1-13905

COMPX INTERNATIONAL INC.

(Exact name of Registrant as specified in its charter)

Delaware (State or other jurisdiction of Incorporation or organization)	57-0981653 (IRS Employer Identification No.)
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5430 LBJ Freeway, Suite 1700,

Three Lincoln Centre, Dallas, Texas (Address of principal executive offices)	75240-2620 (Zip Code)
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Registrant's telephone number, including area code (972) 448-1400

Indicate by checkmark:

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 a 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

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Whether the Registrant has submitted electronically every Interactive Data File required to be submitted 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

Whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No .

Number of shares of Class A common stock outstanding on October 25, 2018: 12,435,557

COMPX INTERNATIONAL INC.

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COMPX INTERNATIONAL INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands)

	December 31, 2017	September 30, 2018
ASSETS		(unaudited)
Current assets:		
Cash and cash equivalents	\$29,655	\$ 43,743
Accounts receivable, net	10,446	13,346
Inventories, net	15,382	17,159
Prepaid expenses and other	879	908
Total current assets	56,362	75,156
Other assets:		
Note receivable from affiliate	38,200	33,000
Goodwill	23,742	23,742
Other noncurrent	590	590
Total other assets	62,532	57,332
Property and equipment:		
Land	4,935	4,940
Buildings	22,774	22,698
Equipment	67,373	65,684
Construction in progress	569	994
	95,651	94,316
Less accumulated depreciation	63,586	62,772
Net property and equipment	32,065	31,544
Total assets	\$ 150,959	\$ 164,032
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 10,792	\$ 12,037
Income taxes payable to affiliates	470	1,188
Total current liabilities	11,262	13,225
Noncurrent liabilities -		&