

SIGMATRON INTERNATIONAL INC

Form 10-Q

December 12, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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Form 10-Q

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(Mark One)

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

EXCHANGE ACT OF 1934

For the quarterly period ended October 31, 2016

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES

EXCHANGE ACT OF 1934

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For the transition period from to

Commission File Number 0-23248

SIGMATRON INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)

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Delaware	36-3918470
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
2201 Landmeier Road	
Elk Grove Village, Illinois	60007
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (847) 956-8000

\_\_\_\_\_

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

SigmaTron International, Inc.

October 31, 2016

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 (§232.405 of this chapter) 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, a non-accelerated filer, or a smaller reporting company. See definition of “large accelerated filer,” “accelerated filer” and “smaller reporting company” 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 by Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of the registrant’s common stock, \$0.01 par value, as of December 9, 2016:  
4,186,813

SigmaTron International, Inc.

Index

PART 1. FINANCIAL INFORMATION:	Page No.
Item	
1 <u>Condensed Consolidated Financial Statements</u>	
<u>Condensed Consolidated Balance Sheets – October 31, 2016 (Unaudited) and April 30, 2016</u>	4
<u>Condensed Consolidated Statements of Income – (Unaudited)</u>	
<u>Three and Six Months Ended October 31, 2016 and 2015</u>	6
<u>Condensed Consolidated Statements of Cash Flows – (Unaudited)</u>	
<u>Six Months Ended October 31, 2016 and 2015</u>	7
<u>Notes to Condensed Consolidated Financial Statements – (Unaudited)</u>	9
Item	
2 <u>Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	22
Item	
3 <u>Quantitative and Qualitative Disclosures About Market Risks</u>	30
Item	
4 <u>Controls and Procedures</u>	30
PART II OTHER INFORMATION:	
Item	
1 <u>Legal Proceedings</u>	31
Item	
1 <u>Risk Factors</u>	31
Item	
2 <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	31
Item	
3 <u>Defaults Upon Senior Securities</u>	31
Item	
4 <u>Mine Safety Disclosures</u>	31
Item	
5 <u>Other Information</u>	31
Item	
6 <u>Exhibits</u>	31
<u>Signatures</u>	33



## SigmaTron International, Inc.

## Condensed Consolidated Balance Sheets

	October 31, 2016 (Unaudited)	April 30, 2016
Current assets:		
Cash and cash equivalents	\$ 3,320,993	\$ 4,325,268
Accounts receivable, less allowance for doubtful accounts of \$100,000 at October 31, 2016 and April 30, 2016, respectively	21,241,217	17,844,228
Inventories, net	69,954,378	67,649,022
Prepaid expenses and other assets	1,898,499	2,128,128
Refundable income taxes	893,667	774,847
Note receivable	887,531	887,531
Other receivables	736,704	481,860
Total current assets	98,932,989	94,090,884
Property, machinery and equipment, net	33,597,144	33,080,858
Intangible assets, net of amortization of \$4,453,035 and \$4,208,755 at October 31, 2016 and April 30, 2016, respectively	4,458,965	4,703,245
Goodwill	3,222,899	3,222,899
Deferred income taxes	269,811	233,057
Other assets	843,762	1,418,398
Total other long-term assets	8,795,437	9,577,599
Total assets	\$ 141,325,570	\$ 136,749,341
Liabilities and stockholders' equity:		
Current liabilities:		
Trade accounts payable	\$ 38,319,850	\$ 37,011,786
Accrued wages	4,216,895	4,199,147
Accrued expenses	2,279,594	2,772,301
Income taxes payable	55,496	-
Current portion of long-term debt	165,000	165,000
Current portion of capital lease obligations	1,513,683	1,374,898

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Current portion of contingent consideration	360,985	275,288
Current portion of deferred rent	205,299	187,889
Total current liabilities	47,116,802	45,986,309
Long-term debt, less current portion	26,752,397	23,572,152
Capital lease obligations, less current portion	3,423,697	3,217,758
Contingent consideration, less current portion	549,315	875,793
Deferred rent, less current portion	677,370	795,289
Other long-term liabilities	964,789	870,542
Deferred income taxes	1,392,526	1,355,620
Total long-term liabilities	33,760,094	30,687,154
Total liabilities	80,876,896	76,673,463

Commitments and contingencies

Stockholders' equity:

Preferred stock, \$.01 par value; 500,000 shares  
authorized, none issued or outstanding

- -

Common stock, \$.01 par value; 12,000,000 shares

authorized, 4,186,813 and 4,183,955 shares issued and

outstanding at October 31, 2016 and April 30, 2016, respectively

41,608 41,560

Capital in excess of par value

22,739,472 22,546,616

Retained earnings

37,667,594 37,487,702

Total stockholders' equity

60,448,674 60,075,878

Total liabilities and stockholders' equity

\$ 141,325,570 \$ 136,749,341

The accompanying notes to the condensed consolidated financial statements are an integral part of these statements.



SigmaTron International, Inc.

Condensed Consolidated Statements of Income

Three Months Ended October 31, 2016	Three Months Ended October 31, 2015	Six Months Ended October 31, 2016	Six Months Ended October 31, 2015
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