

Hill-Rom Holdings, Inc.
Form 10-Q
February 03, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended December 31, 2014

OR

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period from ____ to ____

Commission File No. 1-6651

HILL-ROM HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

Indiana 35-1160484
(State or other jurisdiction of incorporation or (I.R.S. Employer Identification No.)
organization)

1069 State Route 46 East
Batesville, Indiana 47006-8835
(Address of principal executive offices) (Zip Code)

(812) 934-7777
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

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

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(§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 (as defined in Rule 12b-2 of the Exchange Act).

Large accelerated filer Accelerated filer Non-accelerated filer 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.

Common Stock, without par value – 56,506,661 shares as of January 26, 2015.

HILL-ROM HOLDINGS, INC.

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PART I – FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

Hill-Rom Holdings, Inc. and Subsidiaries
Condensed Consolidated Statements of Income (Unaudited)
(In millions, except per share data)

	Quarter Ended December 31	
	2014	2013
Net Revenue		
Capital sales	\$ 373.4	\$ 295.5
Rental revenue	91.6	97.9
Total revenue	465.0	393.4
Cost of Revenue		
Cost of goods sold	220.5	171.2
Rental expenses	44.6	45.4
Total cost of revenue	265.1	216.6
Gross Profit	199.9	176.8
Research and development expenses	21.8	16.4
Selling and administrative expenses	155.1	138.0
Special charges (Note 8)	3.7	1.0
Operating Profit	19.3	21.4
Interest expense	(3.2)	(2.0)
Investment income and other, net	0.9	-
Income Before Income Taxes	17.0	19.4
Income tax expense (Note 9)	4.9	6.2
Net Income	\$ 12.1	\$ 13.2
Net Income per Common Share - Basic	\$ 0.21	\$ 0.23
Net Income per Common Share - Diluted	\$ 0.21	\$ 0.22
Dividends per Common Share	\$ 0.1525	\$ 0.1375
Average Common Shares Outstanding - Basic (thousands) (Note 10)	57,137	58,230
Average Common Shares Outstanding - Diluted (thousands) (Note 10)	58,154	59,142

See Notes to Condensed Consolidated Financial Statements

Hill-Rom Holdings, Inc. and Subsidiaries
 Condensed Consolidated Statements of Comprehensive Income (Loss)
 (Unaudited)
 (In millions)

	Quarter Ended December 31	
	2014	2013
Net Income	\$ 12.1	\$ 13.2
Other Comprehensive Income (Loss), net of tax (Note 7):		
Available-for-sale securities and currency hedges	(0.4)	0.1
Foreign currency translation adjustment	(22.6)	5.8
Change in pension and postretirement defined benefit plans	0.9	0.6
Total Other Comprehensive Income (Loss), net of tax	(22.1)	6.5