

UNIFIRST CORP
Form 10-Q
July 03, 2007

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 May 26, 2007

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 number: **1-8504**

UNIFIRST CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

Massachusetts
(State or Other Jurisdiction of
Incorporation or Organization)

68 Jonspin Road, Wilmington, MA
(Address of Principal Executive Offices)
(978) 658-8888

04-2103460
(I.R.S. Employer
Identification No.)

01887
(Zip Code)

(Registrant's Telephone Number, Including Area Code)

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.

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Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☐

Accelerated Filer ☒

Non-Accelerated Filer ☐

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.

The number of outstanding shares of UniFirst Corporation Common Stock and Class B Common Stock at June 29, 2007 were 14,335,024 and 4,937,449, respectively.

UniFirst Corporation

Quarterly Report on Form 10-Q

For the Quarter ended May 26, 2007

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PART I FINANCIAL INFORMATION**ITEM 1. FINANCIAL STATEMENTS****UniFirst Corporation and Subsidiaries****Consolidated Statements of Income***(Unaudited)*

	Thirteen weeks ended		Thirty-nine weeks ended	
	May 26, 2007	May 27, 2006	May 26, 2007	May 27, 2006
(In thousands, except share and per share data)				
Revenues	\$ 229,849	\$ 211,938	\$ 674,593	\$ 613,431
Costs and expenses:				
Operating costs (1)	144,257	134,383	427,366	392,881
Selling and administrative expenses (1)	48,659	45,710	147,490	132,935
Depreciation and amortization	12,322	11,515	35,726	33,725
	205,238	191,608	610,582	559,541
Income from operations	24,611	20,330	64,011	53,890
Other expense (income):				
Interest expense	3,226	2,996	9,546	7,991
Interest income	(451)	(419)	(1,455)	(1,150)
	2,775	2,577	8,091	6,841
Income before income taxes	21,836	17,753	55,920	47,049
Provision for income taxes	8,153	6,835	21,531	18,414
Net income	\$ 13,683	\$ 10,918	\$ 34,389	\$ 28,635
Income per share Basic:				
Common Stock	\$0.75	\$ 0.63	\$ 1.88	\$ 1.65
Class B Common Stock	\$0.60	\$ 0.50	\$ 1.51	\$ 1.32
Income per share Diluted:				
Common Stock	\$0.71	\$ 0.57	\$ 1.78	\$ 1.48
Weighted average number of shares outstanding Basic:				
Common Stock	14,333	9,814	14,320	9,726
Class B Common Stock	4,937	9,429	4,939	9,515
	19,270	19,243	19,259	19,241
Weighted average number of shares outstanding Diluted:				
Common Stock	19,371	19,311	19,347	19,315
Dividends per share:				
Common Stock	\$0.0375	\$ 0.0375	\$0.1125	\$0.1125
Class B Common Stock	\$0.0300	\$ 0.0300	\$0.0900	\$0.0900

(1) Exclusive of depreciation and amortization

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

UniFirst Corporation and Subsidiaries

Consolidated Balance Sheets

(Unaudited)

	May 26,	August 26,
(In thousands, except share data)	2007	2006 (a)
Assets		
Cash and cash equivalents	\$ 11,234	\$ 8,302
Receivables, less reserves of \$4,622 and \$3,653, respectively	97,602	86,549
Inventories	39,040	36,469
Rental merchandise in service	84,174	85,875
Prepaid and deferred income taxes	10,628	10,046
Prepaid expenses	2,340	1,672
Total current assets	245,018	228,913
Property and equipment:		
Land, buildings and leasehold improvements	281,644	269,696
Machinery and equipment	299,587	284,619
Motor vehicles	94,521	84,138
	675,752	638,453
Less -- accumulated depreciation	342,321	319,550
	333,431	318,903