

ATRION CORP  
Form 10-Q  
May 05, 2016

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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 March 31, 2016

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 0-10763

Atrion Corporation  
(Exact Name of Registrant as Specified in its Charter)

Delaware  
(State or Other Jurisdiction  
of Incorporation or  
Organization)

63-0821819  
(I.R.S. Employer  
Identification No.)

One Allentown Parkway, Allen, Texas 75002  
(Address of Principal Executive  
Offices) (Zip Code)

(972) 390-9800  
(Registrant's Telephone Number, Including Area Code)

Indicate by check 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 whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "accelerated filer," "large accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (Check one):

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

Indicate by check 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.

Number of Shares Outstanding

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Title of Each Class	at
Common stock, Par Value \$0.10 per share	April 20, 2016 1,820,402

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ATRION CORPORATION AND SUBSIDIARIES

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PART I  
FINANCIAL INFORMATION

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## Item 1. Financial Statements

ATRION CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF INCOME  
(Unaudited)

	Three Months Ended March 31,	
	2016	2015
	(in thousands, except per share amounts)	
Revenues	\$36,215	\$38,324
Cost of goods sold	18,650	19,800
Gross profit	17,565	18,524
Operating expenses:		
Selling	1,735	1,520
General and administrative	3,949	3,958
Research and development	1,416	1,560
	7,100	7,038
Operating income	10,465	11,486
Interest income	123	177
Other income (expense), net	(345 )	-
Income before provision for income taxes	10,243	11,663
Provision for income taxes	(3,298 )	(4,061 )
Net income	\$6,945	\$7,602
Net income per basic share	\$3.81	\$4.05
Weighted average basic shares outstanding	1,823	1,875
Net income per diluted share	\$3.76	\$4.01
Weighted average diluted shares outstanding	1,849	1,895
Dividends per common share	0.90	0.75

The accompanying notes are an integral part of these statements.

ATRION CORPORATION  
 CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
 (Unaudited)

Three Months Ended  
 March 31,  
 2016            2015  
 (In thousands)

Net Income	\$6,945	\$7,602
Other Comprehensive income (loss):		
Unrealized income (loss) on investments, net of tax benefit of \$37 in 2016 and net of tax expense of \$62 in 2015	(68	) 114
Comprehensive Income	\$6,877	\$7,716

The accompanying notes are an integral part of these statements.

ATRION CORPORATION AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
(Unaudited)

Assets	March 31, 2016	December 31, 2015
	(in thousands)	
<b>Current assets:</b>		
Cash and cash equivalents	\$27,947	\$28,346
Short-term investments	39	44
Accounts receivable	21,717	16,620
Inventories	30,468	29,771
Prepaid expenses and other current assets	1,372	2,934
Deferred income taxes	580	580
	82,123	78,295
<b>Long-term investments</b>	<b>11,092</b>	<b>9,866</b>
Property, plant and equipment	153,660	150,807
Less accumulated depreciation and amortization	89,548	87,493
	64,112	63,314
<b>Other assets and deferred charges:</b>		