

HAVERTY FURNITURE COMPANIES INC
Form 10-Q
November 05, 2013

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 September 30, 2013

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: 1-14445

HAVERTY FURNITURE COMPANIES, INC.
(Exact name of registrant as specified in its charter)

Maryland
(State of incorporation)

58-0281900
(I.R.S. Employer Identification No.)

780 Johnson Ferry Road, Suite 800
Atlanta, Georgia
(Address of principal executive office)

30342
(Zip Code)

(404) 443-2900
(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. 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 (§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, or a non-accelerated filer. See the definitions 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 Smaller reporting company

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

The numbers of shares outstanding of the registrant's two classes of \$1 par value common stock as of October 31 2013, were: Common Stock – 20,085,239; Class A Common Stock – 2,428,055.

HAVERTY FURNITURE COMPANIES, INC.
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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

HAVERTY FURNITURE COMPANIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except per share data)

	September 30, 2013	December 31, 2012
Assets		
Current assets		
Cash and cash equivalents	\$72,078	\$53,550
Restricted cash and cash equivalents	7,016	7,013
Accounts receivable	8,102	9,710
Inventories	91,600	96,902
Prepaid expenses	7,298	9,532
Other current assets	4,052	3,187
Total current assets	190,146	179,894
Accounts receivable, long-term	845	814
Property and equipment	191,491	193,085
Deferred income taxes	23,823	24,366
Other assets	4,243	3,937
Total assets	\$410,548	\$402,096
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	\$20,281	\$28,178
Customer deposits	23,045	20,963
Accrued liabilities	35,312	33,272
Deferred income taxes	6,601	6,595
Current portion of lease obligations	928	881
Total current liabilities	86,167	89,889
Lease obligations, less current portion	16,451	18,473
Other liabilities	27,006	34,306
Commitments	—	—
Total liabilities	129,624	142,668
Stockholders' equity		
Capital Stock, par value \$1 per share		
Preferred Stock, Authorized – 1,000 shares; Issued: None		
Common Stock, Authorized – 50,000 shares; Issued: 2013 – 27,816; 2012 – 27,212	27,816	27,212
Convertible Class A Common Stock, Authorized – 15,000 shares; Issued: 2013 – 2,950; 2012 – 3,297	2,950	3,297
Additional paid-in capital	75,042	73,803
Retained earnings	273,330	254,310
Accumulated other comprehensive loss	(22,494)	(23,378)
Less treasury stock at cost – Common Stock (2013 – 7,731; 2012 – 7,741) and Convertible Class A Common Stock (2013 and 2012 – 522 shares)	(75,720)	(75,816)
Total stockholders' equity	280,924	259,428

Total liabilities and stockholders' equity	\$410,548	\$402,096
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See notes to these condensed consolidated financial statements.

HAVERTY FURNITURE COMPANIES, INC. AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENTS OF INCOME
 (In thousands, except per share data – Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Net sales	\$192,722	\$172,677	\$549,926	\$487,766
Cost of goods sold	88,845	82,004	254,430	232,002
Gross profit	103,877	90,673	295,496	255,764
Credit service charges	78	69	240	216
Gross profit and other revenue	103,955	90,742	295,736	255,980
Expenses:				
Selling, general and administrative	88,286	85,082	258,145	242,728
Interest, net	282	154		