

HNI CORP
Form 10-Q
August 03, 2011

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(MARK ONE)

/ X / QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended July 2, 2011.

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: 1-14225

HNI Corporation
(Exact name of registrant as specified in its charter)

Iowa 42-0617510
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification Number)

P. O. Box 1109, 408 East Second Street 52761-0071
Muscatine, Iowa 52761-0071 (Zip Code)
(Address of principal executive offices)

Registrant's telephone number, including area code: 563/272-7400

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

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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 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 (Do not check if a smaller reporting company) 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 practical date.

Class	Outstanding at July 2, 2011
Common Shares, \$1 Par Value	44,780,796

HNI Corporation and SUBSIDIARIES

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

HNI Corporation and SUBSIDIARIES
 CONDENSED CONSOLIDATED BALANCE SHEETS
 (Unaudited)

	July 2, 2011	January 1, 2011
	(In thousands)	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$46,763	\$99,096
Short-term investments	13,210	10,567
Receivables	210,105	190,118
Inventories (Note C)	101,042	68,956
Deferred income taxes	21,985	18,467
Prepaid expenses and other current assets	30,040	20,957
Total Current Assets	423,145	408,161
PROPERTY, PLANT, AND EQUIPMENT, at cost		
Land and land improvements	21,468	21,554
Buildings	258,135	257,819
Machinery and equipment	460,055	474,911
Construction in progress	7,914	10,221
	747,572	764,505
Less accumulated depreciation	523,698	532,724
Net Property, Plant, and Equipment	223,874	231,781
GOODWILL	260,634	260,634
OTHER ASSETS	96,220	97,304
Total Assets	\$1,003,873	\$997,880

See accompanying Notes to Condensed Consolidated Financial Statements.

HNI Corporation and SUBSIDIARIES
 CONDENSED CONSOLIDATED BALANCE SHEETS
 (Unaudited)

	July 2, 2011	January 1, 2011
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$320,753	\$311,066
Note payable and current maturities of long-term debt and capital lease obligations	50,105	50,029
Current maturities of other long-term obligations	261	256
Total Current Liabilities	371,119	361,351
LONG-TERM DEBT	150,000	150,000
CAPITAL LEASE OBLIGATIONS	396	111
OTHER LONG-TERM LIABILITIES	50,647	47,437
DEFERRED INCOME TAXES	38,541	30,525
EQUITY		
HNI Corporation shareholders' equity:		
Capital Stock:		
Preferred, \$1 par value, authorized 2,000,000 shares, no shares outstanding	—	—
Common, \$1 par value, authorized 200,000,000 shares, outstanding - July 2, 2011 – 44,780,796 shares; January 1, 2011 – 44,840,701 shares	44,781	44,841
Additional paid-in capital	19,364	18,011
Retained earnings	325,738	343,474
Accumulated other comprehensive income	2,887	1,659
Total HNI Corporation shareholders' equity	392,770	407,985
Noncontrolling interest	400	471
Total Equity	393,170	408,456
Total Liabilities and Equity	\$1,003,873	\$997,880

See accompanying Notes to Condensed Consolidated Financial Statements.

HNI Corporation and SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

Three Months Ended
July 2, July 3,
2011 2010
(In thousands, except share and
per share dat