

VOXX International Corp  
Form 10-Q  
July 10, 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 May 31, 2013

or

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

Commission file number: 0-28839

VOXX International Corporation  
(Exact name of registrant as specified in its charter)  
Delaware  
(State or other jurisdiction of  
incorporation or organization)

13-1964841  
(IRS Employer Identification No.)

180 Marcus Blvd., Hauppauge, New York  
(Address of principal executive offices)

11788  
(Zip Code)

(631) 231-7750  
(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 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. (Check one):

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 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

Number of shares of each class of the issuer's common stock outstanding as of the latest practicable date.

Class	As of July 9, 2013	
Class A Common Stock	21,764,479	Shares
Class B Common Stock	2,260,954	Shares

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VOXX International Corporation

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## PART I - FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

## VOXX International Corporation and Subsidiaries

## Consolidated Balance Sheets

(In thousands, except share data)

	May 31, 2013 (unaudited)	February 28, 2013
Assets		
Current assets:		
Cash and cash equivalents	\$16,255	\$19,777
Accounts receivable, net	132,085	152,596
Inventory, net	152,309	159,099
Receivables from vendors	6,977	9,943
Prepaid expenses and other current assets	9,484	12,017
Income tax receivable	732	448
Deferred income taxes	3,259	3,362
Total current assets	321,101	357,242
Investment securities	13,619	13,570
Equity investments	18,700	17,518
Property, plant and equipment, net	76,657	76,208
Goodwill	146,333	146,680
Intangible assets, net	202,400	205,398
Deferred income taxes	921	924
Other assets	13,979	11,732
Total assets	\$793,710	\$829,272
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$59,837	\$56,894
Accrued expenses and other current liabilities	47,211	51,523
Income taxes payable	3,624	5,103
Accrued sales incentives	17,952	16,821
Deferred income taxes	177	178
Current portion of long-term debt	18,413	26,020
Total current liabilities	147,214	156,539
Long-term debt	121,755	148,996
Capital lease obligation	5,668	5,764
Deferred compensation	5,189	4,914
Other tax liabilities	9,437	9,631
Deferred tax liabilities	43,378	43,944
Other long-term liabilities	14,475	14,948
Total liabilities	347,116	384,736
Commitments and contingencies		
Stockholders' equity:		
Preferred stock	—	—
Common stock	271	254
Paid-in capital	285,873	283,971
Retained earnings	187,310	185,168
Accumulated other comprehensive loss	(8,500	) (6,497

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Treasury stock	(18,360	) (18,360	)
Total stockholders' equity	446,594	444,536	
Total liabilities and stockholders' equity	\$793,710	\$829,272	
See accompanying notes to consolidated financial statements.			

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VOXX International Corporation and Subsidiaries  
 Consolidated Statements of Operations and Comprehensive Income  
 (In thousands, except share and per share data)  
 (unaudited)

	Three Months Ended	
	May 31,	
	2013	2012
Net sales	\$ 192,972	\$ 194,036
Cost of sales	138,520	143,540
Gross profit	54,452	50,496
Operating expenses:		
Selling	13,123	13,205
General and administrative	29,180	25,225
Engineering and technical support	8,735	7,411
Acquisition-related costs	—	1,596
Total operating expenses	51,038	47,437
Operating income	3,414	3,059
Other (expense) income:		
Interest and bank charges	(1,980	) (2,244
Equity in income of equity investees	1,756	1,357
Other, net	16	