

WESTWOOD HOLDINGS GROUP INC  
Form 10-Q  
July 29, 2015

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 June 30, 2015  
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 1-31234

WESTWOOD HOLDINGS GROUP, INC.  
(Exact name of registrant as specified in its charter)

DELAWARE 75-2969997  
(State or other jurisdiction of incorporation or organization) (IRS Employer Identification No.)

200 CRESCENT COURT, SUITE 1200 75201  
DALLAS, TEXAS (Zip Code)  
(Address of principal executive office)  
(214) 756-6900  
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)  
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, a non-accelerated filer, or a smaller reporting company. See definition 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

Shares of common stock, par value \$0.01 per share, outstanding as of July 17, 2015: 8,600,766.



WESTWOOD HOLDINGS GROUP, INC.  
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WESTWOOD HOLDINGS GROUP, INC. AND SUBSIDIARIES  
 CONDENSED CONSOLIDATED BALANCE SHEETS  
 (in thousands, except par value and share amounts)

	June 30, 2015 (unaudited)	December 31, 2014
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$22,767	\$18,131
Accounts receivable	21,890	14,540
Investments, at fair value	46,195	79,620
Deferred income taxes	4,634	4,060
Other current assets	2,164	2,413
Total current assets	97,650	118,764
Goodwill	22,910	11,255
Deferred income taxes	3,355	3,792
Intangible assets, net	28,977	3,430
Property and equipment, net of accumulated depreciation of \$3,030 and \$2,720	3,217	2,633
Total assets	\$156,109	\$139,874
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current Liabilities:		
Accounts payable and accrued liabilities	\$3,300	\$2,334
Dividends payable	4,927	4,868
Compensation and benefits payable	11,091	18,504
Contingent consideration	9,257	—
Income taxes payable	860	1,498
Total current liabilities	29,435	27,204
Accrued dividends	1,144	1,450
Deferred rent	1,179	1,213
Total liabilities	31,758	29,867
Commitments and contingencies (Note 11)		
Stockholders' Equity:		
Common stock, \$0.01 par value, authorized 25,000,000 shares, issued 9,415,560 and outstanding 8,601,754 shares at June 30, 2015; issued 9,010,255 and outstanding 8,308,460 shares at December 31, 2014	94	90
Additional paid-in capital	135,349	119,859
Treasury stock, at cost - 813,806 shares at June 30, 2015; 701,795 shares at December 31, 2014	(35,931)	(29,028)
Accumulated other comprehensive loss	(2,386)	(1,231)
Retained earnings	27,225	20,317
Total stockholders' equity	124,351	110,007
Total liabilities and stockholders' equity	\$156,109	\$139,874

See notes to condensed consolidated financial statements.

WESTWOOD HOLDINGS GROUP, INC. AND SUBSIDIARIES  
 CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
 (in thousands, except per share data and share amounts)  
 (unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
REVENUES:				
Advisory fees				
Asset based	\$27,458	\$22,095	\$51,387	\$42,484
Performance based	1,918	3,443	2,206	3,806
Trust fees	7,921	5,151		