

WEIS MARKETS INC
Form 10-Q
August 07, 2014

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 June 28, 2014

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 1-5039

WEIS MARKETS, INC .

(Exact name of registrant as specified in its charter)

PENNSYLVANIA

(State or other jurisdiction of incorporation or organization)

24-0755415

(I.R.S. Employer Identification No.)

1000 S. Second Street

P. O. Box 471

Sunbury, Pennsylvania

(Address of principal executive offices)

17801-0471

(Zip Code)

Registrant's telephone number, including area code: (570)
286-4571

Registrant's web address: www.weismarkets.com

Not Applicable

(Former name, former address and former fiscal year, if changed since last report.)

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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 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

As of August 7, 2014, there were issued and outstanding 26,898,443 shares of the registrant's common stock.

WEIS MARKETS, INC.

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PART I – FINANCIAL INFORMATION

ITEM I – FINANCIAL STATEMENTS

WEIS MARKETS, INC.

CONSOLIDATED BALANCE SHEETS

(dollars in thousands)	June 28, 2014 (unaudited)	December 28, 2013
Assets		
Current:		
Cash and cash equivalents	\$ 21,726	\$ 17,965
Marketable securities	65,113	63,093
SERP investment	10,268	8,752
Accounts receivable, net	67,526	57,193
Inventories	218,931	240,452
Prepaid expenses	15,800	17,293
Total current assets	399,364	404,748
Property and equipment, net	708,272	704,985
Goodwill	35,162	35,162
Intangible and other assets, net	3,632	3,347
Total assets	\$ 1,146,430	\$ 1,148,242
Liabilities		
Current:		
Accounts payable	\$ 123,457	\$ 133,568
Accrued expenses	29,310	27,416
Accrued self-insurance	19,411	19,333
Deferred revenue, net	3,771	7,056
Income taxes payable	1,583	1,628
Deferred income taxes	4,384	4,219
Total current liabilities	181,916	193,220
Postretirement benefit obligations	18,944	17,101
Deferred income taxes	94,681	97,934
Other	4,269	5,934
Total liabilities	299,810	314,189
Shareholders' Equity		
Common stock, no par value, 100,800,000 shares authorized, 33,047,807 shares issued	9,949	9,949
Retained earnings	982,447	971,022
Accumulated other comprehensive income (Net of deferred taxes of \$3,552 in 2014 and \$2,753 in 2013)	5,081	3,939
	997,477	984,910

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Treasury stock at cost, 6,149,364 shares	(150,857)	(150,857)
Total shareholders' equity	846,620	834,053
Total liabilities and shareholders' equity	\$ 1,146,430	\$ 1,148,242

See accompanying notes to consolidated financial statements.

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WEIS MARKETS, INC.

CONSOLIDATED STATEMENTS OF INCOME

(unaudited)

(dollars in thousands, except shares and per share amounts)	13 Weeks Ended		26 Weeks Ended	
	June 28, 2014	June 29, 2013	June 28, 2014	June 29, 2013
Net sales	\$ 691,875	\$ 662,072	\$ 1,379,002	\$ 1,344,784
Cost of sales, including warehousing and distribution expenses	504,151	471,750	1,004,560	963,335
Gross profit on sales	187,724	190,322	374,442	381,449
Operating, general and administrative expenses	168,286	152,705	332,701	312,917
Income from operations	19,438	37,617	41,741	68,532
Investment income	656	1,824	1,409	2,802
Income before provision for income taxes	20,094	39,441	43,150	71,334
Provision for income taxes	7,296	15,262	15,586	27,027
Net income	\$ 12,798	\$ 24,179	\$ 27,564	\$ 44,307
Weighted-average shares outstanding, basic and diluted	26,898,443	26,898,443	26,898,443	26,898,443
Cash dividends per share	\$ 0.30	\$ 0.30	\$ 0.60	\$ 0.60
Basic and diluted earnings per share	\$ 0.48	\$ 0.90	\$ 1.02	\$ 1.65
See accompanying notes to consolidated financial statements				

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WEIS MARKETS, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(unaudited)

(dollars in thousands)	13 Weeks Ended		26 Weeks Ended	
	June 28, 2014	June 29, 2013	June 28, 2014	June 29, 2013
Net income	\$ 12,798	\$ 24,179	\$ 27,564	\$ 44,307
Other comprehensive income (loss) by component, net of tax:				
Available-for-sale marketable securities				
Unrealized holding gains (losses) arising during period (Net of deferred taxes of \$162 and \$600 respectively for the 13 Weeks Ended and \$819 and \$173 respectively for the 26 Weeks Ended)	235	(964)	1,168	(358)
Reclassification adjustment for gains included in net income (Net of deferred taxes of \$2 and \$587 respectively for the 13 Weeks Ended and \$20 and \$608 respectively for the 26 Weeks Ended)	(3)	(735)	(26)	(761)
Other comprehensive income (loss), net of tax	232	(1,699)	1,142	(1,119)
Comprehensive income, net of tax	\$ 13,030	\$ 22,480	\$ 28,706	\$ 43,188
See accompanying notes to consolidated financial statements.				

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WEIS MARKETS, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited)

(dollars in thousands)	26 Weeks Ended	
	June 28, 2014	June 29, 2013
Cash flows from operating activities:		
Net income	\$ 27,564	\$ 44,307
Adjustments to reconcile net income to		