

ATRION CORP
Form 10-Q
August 07, 2018

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, 2018

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 001-32982

Atrion Corporation
(Exact Name of Registrant as Specified in its Charter)

Delaware 63-0821819
(State or Other Jurisdiction of Incorporation or Organization) (I.R.S. Employer Identification No.)

One Allentown Parkway, Allen, Texas 75002
(Address of Principal Executive Offices) (Zip Code)

(972) 390-9800
(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 Registration 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, a smaller reporting company or an emerging growth company. See definitions of "accelerated filer," "large accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer	Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company)	Smaller reporting company
	Emerging growth company

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If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act

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 practicable date.

Title of Each Class	Number of Shares Outstanding at July 25, 2018
Common stock, Par Value \$0.10 per share	1,852,756

ATRION CORPORATION AND SUBSIDIARIES

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PART I

FINANCIAL INFORMATION

Item 1. Financial Statements

ATRION CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
	(in thousands, except per share amounts)			
Revenues	\$38,847	\$36,164	\$78,248	\$74,669
Cost of goods sold	19,624	18,470	40,074	38,344
Gross profit	19,223	17,694	38,174	36,325
Operating expenses:				
Selling	2,045	1,864	4,064	3,612
General and administrative	4,309	4,287	8,537	8,304
Research and development	1,603	1,368	2,941	2,907
	7,957	7,519	15,542	14,823
Operating income	11,266	10,175	22,632	21,502
Interest and dividend income	411	370	742	519
Other investment income (losses)	(408)	--	(1,197)	1
	3	370	(455)	520
Income before provision for income taxes	11,269	10,545	22,177	22,022
Provision for income taxes	(2,472)	(519)	(4,892)	(2,046)
Net income	\$8,797	\$10,026	\$17,285	\$19,976
Net income per basic share	\$4.75	\$5.44	\$9.33	\$10.86
Weighted average basic shares outstanding	1,852	1,844	1,853	1,839
Net income per diluted share	\$4.74	\$5.40	\$9.31	\$10.76
Weighted average diluted shares outstanding	1,857	1,858	1,856	1,856
Dividends per common share	\$1.20	\$1.05	\$2.40	\$2.10

The accompanying notes are an integral part of these statements.

ATRION CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
			Proceeds of disposals of industrial assets	
			141.3	168.8
Financial investments	-1,291.5	-944.1		
Proceeds from sale of financial assets	206.7	154.0		
Operating financial assets:				
New operating financial assets	-360.6	-513.4		
Repayment of operating financial assets	438.1	320.6		
Dividends received	13.8	16.8		
Disbursements on long-term interest-bearing notes receivables	-69.4	-62.1		
Payments on long-term interest-bearing notes receivables	29.2	55.7		
Change in short-term financial receivables	2.6	115.0		
Purchases / sales of marketable securities	3.4	118.2		
Cash flow provided by investing activities	-2,904.0	-2,407.6		
Change in short-term financial debt	-239.2	-2,936.2		
New loans and other long-term debt	1,997.2	3,134.8		
Repayment of loans and other long-term debt	-1,000.8	-2,319.6		
Increase in capital	246.5	81.0		
Purchase of treasury shares	0.4	-		
Dividends paid	-479.2	-374.0		
Interest paid	-596.4	-738.8		
Cash flow provided by financing activities	-71.5	-3,152.8		
Opening cash and cash equivalents position	1,829.3	4,240.2		
Currency effects and miscellaneous	-41.4	-14.2		
Closing cash and cash equivalents position	2,202.0	1,829.3		
Cash and cash equivalents	2,658.0	2,336.1		
- Cash liabilities	456.0	506.8		
Closing cash and cash equivalents position	2,202.0	1,829.3		

FROM RECURRING OPERATING INCOME TO OPERATING INCOME

(m)	At Dec. 31, 2006	At Dec. 31, 2005 Adjusted
Recurring operating income	2,222.2	1,903.6
Impairment charge & provisions in the Transport division in Germany	-86.5	-
Other	-2.8	-10.7
Operating income	2,132.9	1,892.9

FROM RECURRING NET INCOME TO NET INCOME

(m)	At Dec. 31, 2006	At Dec. 31, 2005 Adjusted
Recurring net income	762.0	630.2
Impairment charge & provisions in the Transport division in Germany	-86.5	-
Disposal of Southern Water's participation	52.5	-
Planned sale of transportation operations in Denmark	-51.9	-
Restructuring of US tax group	86.2	-
Other	-3.6	-8.0
Net income	758.7	622.2

CHANGE IN NET FINANCIAL DEBT

(m)	Fiscal year 2006
Net financial debt at beginning of the year	-13,871
Cash flow from operations	3,844
Tax paid	-343
Interest paid	-596
Maintenance capital expenditures and ongoing capital expenditures	-2,421
Change in operating financial assets	77
Change in WCR	-112
Disposals of industrial assets and miscellaneous	355
Other	97
Free cash flow before major new projects	901
Major new projects and acquisitions	-1,424
Increase in capital	165
Dividends paid	-479
Change in other financial receivables	-35
Other changes (including currency)	68
Net financial debt at closing	-14,675

RECONCILIATION TO 2005 ADJUSTED BALANCE SHEET:**BALANCE SHEET**

(m)	At Dec. 31, 2005	IFRIC 12 & IFRS5	restatements	At Dec. 31, 2005 Adjusted
ASSETS				
Goodwill	4,863.1		-110.8	4,752.3
Intangible assets linked to concessions	-		2,091.8	2,091.8
Other intangible assets	1,171.5		109.9	1,281.4
Tangible assets linked to concessions	5,629.5		-5,465.8	6,885.7
Tangible assets	6,722.0			
Investments accounted for using the equity method	201.5		-	201.5
Investments accounted for using the cost method	209.5		-	209.5
Long-term IFRIC4 financial receivables	1,901.9		3,435.5	5,337.4
Long-term operating financial assets	-			
Derivative financial instruments Asset	249.0		-	249.0
Other long-term financial assets	692.5		-0.9	691.6
Deferred tax Asset	1,127.3		7.4	1,134.7
Non-current assets	22,767.8		67.1	22,834.9
Inventories and work-in-progress	646.2		-11.0	635.2
Accounts receivable	10,112.3		-29.0	10,083.3
IFRIC4 short-term financial receivables	163.5		44.5	208.0
Short-term operating financial assets	-			
Other short-term financial receivables	221.2		-	221.2
Marketable securities	60.7		-	60.7
Cash and cash equivalents	2,336.1		-	2,336.1
Current assets	13,540.0		4.5	13,544.5
Assets from discontinued operations	1.6		-	1.6
TOTAL ASSETS	36,309.4		71.6	36,381.0
 (m)				
	At Dec. 31, 2005	IFRIC 12 & IFRS5	restatements	At Dec. 31, 2005 Adjusted
LIABILITIES				
Share capital	2,039.4		-	2,039.4
Additional paid-in capital	6,499.1		-	6,499.1
Retained earnings and net income	-4,735.9		-12.4	-4,748.3
Minority interests	1,890.9		-2.9	1,888.0
Shareholders' equity	5,693.5		-15.3	5,678.2
Non-current provisions	1,613.6		34.4	1,648.0
Long-term financial debt	13,722.8		-	13,722.8
Derivative instruments Liability	154.5		-	154.5
Other long-term debt	207.8		-4.1	203.7
Deferred tax Liability	1,124.1		80.9	1,205.0
Non-current liabilities	16,822.8		111.2	16,934.0
Accounts payable	10,374.3		-4.5	10,369.8
Current provisions	773.8		-19.8	754.0
Short-term financial debt	2,138.2		-	2,138.2
Bank overdrafts	506.8		-	506.8
Current liabilities	13,793.1		-24.3	13,768.8
Liabilities from discontinued operations	-		-	-
Total liabilities	36,309.4		71.6	36,381.0

CONSOLIDATED INCOME STATEMENT

(m)	At Dec. 31, 2005	IFRIC 12 & IFRS5 restatements	At Dec. 31, 2005 Adjusted
Revenue from ordinary activities	25,244.9	+325.5	25,570.4
(of which revenue from ordinary activities linked to financing for third parties)	125.8	+200.0	325.8
Costs of sales	-20,561.0	-308.9	-20,869.9
Selling costs	-478.5	-	-478.5
General and administrative costs	-2,403.0	+8.1	-2,394.9
Other costs and operating income	90.5	-24.7	65.8
Operating income	1,892.9	0.0	1,892.9
Cost of financial debt	-781.7	+7.7	-774.0
Income from financial debt	68.3	-5.0	63.3
Other financial income and expenses	30.5	-2.4	28.1
Income tax	-422.9	+0.5	-422.4
Equity in net income of affiliates	14.9	-8.4	6.5
Income before earnings from discontinued operations and minority interests	802.0	-7.6	794.4
Net income from discontinued operations	-	+0.7	0.7
Net income	802.0	-6.9	795.1
Minority interests	179.0	-6.1	172.9
Net income	623.0	-0.8	622.2

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: March 8, 2007

VEOLIA ENVIRONNEMENT

By: /s/ Alain Tchernonog _____

Name: Alain Tchernonog

Title: General Counsel