

ALLIED MOTION TECHNOLOGIES INC
Form 10-Q
August 04, 2016
[Table of Contents](#)

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, 2016

Commission File Number

0-04041

ALLIED MOTION TECHNOLOGIES INC.

(Exact name of Registrant as Specified in Its Charter)

Colorado
(State or other jurisdiction of
incorporation or organization)

84-0518115
(I.R.S. Employer
Identification No.)

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495 Commerce Drive, Suite 3

Amherst, New York 14228

(Address of Principal Executive offices, including zip code)

(716) 242-8634

(Registrant's Telephone Number, Including Area Code)

(Former Address, 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 ninety (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 definitions of large accelerated filer, accelerated filer and smaller reporting 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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Number of Shares of the only class of Common Stock outstanding: 9,396,469 as of August 4, 2016

Table of Contents

ALLIED MOTION TECHNOLOGIES INC.

INDEX

	Page No.
PART I. FINANCIAL INFORMATION	
Item 1.	Financial Statements
	<u>Condensed Consolidated Balance Sheets - Unaudited</u> 1
	<u>Condensed Consolidated Statements of Operations and Comprehensive Income - Unaudited</u> 2
	<u>Condensed Consolidated Statements of Cash Flows - Unaudited</u> 3
	<u>Notes to Condensed Consolidated Financial Statements - Unaudited</u> 4
<u>Item 2.</u>	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u> 16
<u>Item 3.</u>	<u>Quantitative and Qualitative Disclosures About Market Risk</u> 22
<u>Item 4.</u>	<u>Controls and Procedures</u> 23
<u>PART II.</u>	
<u>Item 1A.</u>	<u>Risk Factors</u> 23
<u>Item 5.</u>	<u>Other Information</u> 24
<u>Item 6.</u>	<u>Exhibits</u> 24

Table of Contents

ALLIED MOTION TECHNOLOGIES INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except per share data)

(Unaudited)

	June 30, 2016	December 31, 2015
Assets		
Current Assets:		
Cash and cash equivalents	\$ 10,362	\$ 21,278
Trade receivables, net of allowance for doubtful accounts of \$783 and \$611 at June 30, 2016 and December 31, 2015, respectively	31,965	22,710
Inventories, net	30,079	26,175
Prepaid expenses and other assets	2,904	3,749
Total Current Assets	75,310	73,912
Property, plant and equipment, net	38,626	35,315
Deferred income taxes	1,533	2,548
Intangible assets, net	36,288	29,984
Goodwill	28,095	17,757
Other long term assets	3,902	2,631
Total Assets	\$ 183,754	\$ 162,147
Liabilities and Stockholders Equity		
Current Liabilities:		
Debt obligations	21,055	9,860
Accounts payable	14,492	13,000
Accrued liabilities	13,901	11,121
Total Current Liabilities	49,448	33,981
Long-term debt	52,555	57,518
Deferred income taxes	2,875	630
Deferred compensation arrangements	3,413	2,636
Pension and post-retirement obligations	4,177	2,785
Total Liabilities	112,468	97,550
Commitments and Contingencies		
Stockholders Equity:		
Common stock, no par value, authorized 50,000 shares; 9,396 and 9,276 shares issued and outstanding at June 30, 2016 and December 31, 2015, respectively	29,078	27,824
Preferred stock, par value \$1.00 per share, authorized 5,000 shares; no shares issued or outstanding		
Retained earnings	51,244	46,650
Accumulated other comprehensive loss	(9,036)	(9,877)
Total Stockholders Equity	71,286	64,597
Total Liabilities and Stockholders Equity	\$ 183,754	\$ 162,147

See accompanying notes to condensed consolidated financial statements.

Table of Contents

ALLIED MOTION TECHNOLOGIES INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

(In thousands, except per share data)

(Unaudited)

	For the three months ended		For the six months ended	
	2016	June 30, 2015	2016	June 30, 2015
Revenues	\$ 65,835	\$ 60,479	\$ 129,510	\$ 120,059
Cost of goods sold	46,222	42,492	91,620	84,572
Gross margin	19,613	17,987	37,890	35,487
Operating costs and expenses:				
Selling	2,635	2,063	5,059	4,271
General and administrative	5,878	5,822	12,287	11,375
Engineering and development	4,174	3,707	8,224	7,153
Business development	135		218	
Amortization of intangible assets	828	660	1,607	1,322
Total operating costs and expenses	13,650	12,252	27,395	24,121
Operating income	5,963	5,735	10,495	11,366
Other expense (income):				
Interest expense	1,590	1,511		