

ACUITY BRANDS INC
Form 10-Q
April 02, 2014
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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 February 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 001-16583.

ACUITY BRANDS, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)
1170 Peachtree Street, N.E., Suite 2300,
Atlanta, Georgia
(Address of principal executive offices)
(404) 853-1400
(Registrant's telephone number, including area code)

58-2632672
(I.R.S. Employer Identification Number)
30309-7676
(Zip Code)

None
(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 Smaller Reporting Company
(Do not check if a smaller reporting company)

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

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Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common stock — \$0.01 par value — 43,208,547 shares as of March 31, 2014.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statement

ACUITY BRANDS, INC.

CONSOLIDATED BALANCE SHEETS

(In millions, except share and per-share data)

	February 28, 2014 (unaudited)	August 31, 2013
ASSETS		
Current Assets:		
Cash and cash equivalents	\$408.2	\$359.1
Accounts receivable, less reserve for doubtful accounts of \$2.0 and \$1.5 as of February 28, 2014 and August 31, 2013, respectively	308.7	318.3
Inventories	228.6	203.0
Deferred income taxes	14.6	13.6
Prepayments and other current assets	30.4	19.5
Total Current Assets	990.5	913.5
Property, Plant, and Equipment, at cost:		
Land	6.7	7.2
Buildings and leasehold improvements	108.8	109.6
Machinery and equipment	368.1	354.5
Total Property, Plant, and Equipment	483.6	471.3
Less — Accumulated depreciation and amortization	336.5	323.4
Property, Plant, and Equipment, net	147.1	147.9
Other Assets:		
Goodwill	570.0	568.2
Intangible assets, net	238.4	245.1
Deferred income taxes	1.6	1.7
Other long-term assets	24.7	27.4
Total Other Assets	834.7	842.4
Total Assets	\$1,972.3	\$1,903.8
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$244.4	\$249.5
Accrued compensation	30.0	28.0
Accrued pension liabilities, current	1.2	1.2
Other accrued liabilities	91.3	107.5
Total Current Liabilities	366.9	386.2
Long-Term Debt		
Accrued Pension Liabilities, less current portion	50.6	54.7
Deferred Income Taxes	56.2	53.9
Self-Insurance Reserves, less current portion	7.4	7.0
Other Long-Term Liabilities	58.2	54.9
Commitments and Contingencies (see Commitments and Contingencies footnote)		
Stockholders' Equity:		
Preferred stock, \$0.01 par value; 50,000,000 shares authorized; none issued	—	—
Common stock, \$0.01 par value; 500,000,000 shares authorized; 52,548,243 issued and 42,828,988 outstanding at February 28, 2014; 52,205,933 issued and 42,486,678 outstanding at August 31, 2013	0.5	0.5

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Paid-in capital	753.2	735.5	
Retained earnings	806.3	740.3	
Accumulated other comprehensive loss	(60.4) (62.6)
Treasury stock, at cost, 9,719,255 shares at February 28, 2014 and August 31, 2013	(420.2) (420.2)
Total Stockholders' Equity	1,079.4	993.5	
Total Liabilities and Stockholders' Equity	\$1,972.3	\$1,903.8	

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

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ACUITY BRANDS, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)

(In millions, except per-share data)

	Three Months Ended		Six Months Ended	
	February 28, 2014	February 28, 2013	February 28, 2014	February 28, 2013
Net Sales	\$546.2	\$486.7	\$1,120.9	\$967.8
Cost of Products Sold	331.0	297.0	668.6	588.6
Gross Profit	215.2	189.7	452.3	379.2
Selling, Distribution, and Administrative Expenses	157.0	144.3	316.7	284.9
Special Charge	(0.2) 0.3	(0.2) 1.0
Operating Profit	58.4	45.1	135.8	93.3
Other Expense:				
Interest Expense, net	8.0	7.8		