

MILLER HERMAN INC
Form 10-Q
October 07, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For Quarter Ended August 29, 2015

Commission File No. 001-15141

HERMAN MILLER, INC.

A Michigan Corporation

ID No. 38-0837640

855 East Main Avenue, Zeeland, MI
49464-0302

Phone (616) 654 3000

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, 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 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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

Common Stock Outstanding at October 5, 2015 - 59,870,314 shares

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 FOR THE QUARTER ENDED AUGUST 29, 2015
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HERMAN MILLER, INC.
 CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
 (Dollars in Millions, Except Per Share Data)
 (Unaudited)

	Three Months Ended	
	August 29, 2015	August 30, 2014
Net sales	\$565.4	\$509.7
Cost of sales	348.6	324.1
Gross margin	216.8	185.6
Operating expenses:		
Selling, general, and administrative	143.1	126.7
Design and research	18.6	16.7
Total operating expenses	161.7	143.4
Operating earnings	55.1	42.2
Other expenses:		
Interest expense	3.9	4.7
Other, net	0.5	—
Earnings before income taxes and equity income	50.7	37.5
Income tax expense	17.0	12.4
Equity earnings from nonconsolidated affiliates, net of tax	0.1	0.1
Net earnings	33.8	25.2
Net earnings attributable to noncontrolling interests	0.3	—
Net earnings attributable to Herman Miller, Inc.	\$33.5	\$25.2
Earnings per share — basic	\$0.56	\$0.43
Earnings per share — diluted	\$0.56	\$0.42
Dividends declared, per share	\$0.148	\$0.140
Other comprehensive income, net of tax		
Foreign currency translation adjustments	\$(3.5)	\$(0.5)
Pension and post-retirement liability adjustments	0.9	0.4
Other comprehensive (loss)	(2.6)	(0.1)
Comprehensive income	31.2	25.1
Comprehensive income attributable to noncontrolling interests	0.3	—
Comprehensive income attributable to Herman Miller, Inc.	\$30.9	\$25.1

See accompanying notes to condensed consolidated financial statements.

HERMAN MILLER, INC.
 CONDENSED CONSOLIDATED BALANCE SHEETS
 (Dollars in Millions Except Share Data)
 (Unaudited)

	August 29, 2015	May 30, 2015
ASSETS		
Current Assets:		
Cash and cash equivalents	\$52.0	\$63.7
Marketable securities	5.7	5.7
Accounts and notes receivable, net	202.2	189.6
Inventories, net	136.9	129.6
Prepaid expenses and other	74.7	74.9
Total current assets	471.5	463.5
Property and equipment, at cost	883.9	868.6
Less — accumulated depreciation	(631.0)) (619.1)
Net property and equipment	252.9	249.5
Goodwill	303.0	303.1
Indefinite-lived intangibles	85.2	85.2
Other amortizable intangibles, net	50.9	52.3
Other noncurrent assets	33.5	34.6
Total Assets	\$1,197.0	\$1,188.2
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS & STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	151.6	164.7
Accrued compensation and benefits	70.7	66.6
Accrued warranty	27.0	26.8
Other accrued liabilities	107.0	92.8
Total current liabilities	356.3	350.9
Long-term debt	268.0	290.0
Pension and post-retirement benefits	27.1	27.8