

O REILLY AUTOMOTIVE INC  
Form 10-Q  
August 08, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 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, 2012

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 000-21318

O'REILLY AUTOMOTIVE, INC.  
(Exact name of registrant as specified in its charter)

Missouri 27-4358837  
(State or other jurisdiction (I.R.S. Employer Identification No.)

of incorporation or  
organization)

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233 South Patterson Avenue  
Springfield, Missouri 65802  
(Address of principal executive offices, Zip code)

(417) 862-6708  
(Registrant's telephone number, including area code)

Not applicable  
(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 ☒ [X]

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 ☒ [X]    No ☐ [ ]

Indicate by a 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 ☒ [X]    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 ☒ [X]

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 – 118,889,480 shares outstanding as of August 6, 2012.

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## PART I FINANCIAL INFORMATION

## Item 1. Financial Statements

## O'REILLY AUTOMOTIVE, INC. AND SUBSIDIARIES

## CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except share data)

	June 30, 2012 (Unaudited)	December 31, 2011 (Note)
Assets		
Current assets:		
Cash and cash equivalents	\$ 367,717	\$ 361,552
Accounts receivable, net	151,936	135,149
Amounts receivable from vendors	61,709	68,604
Inventory	2,145,339	1,985,748
Other current assets	37,291	56,557
Total current assets	2,763,992	2,607,610
Property and equipment, at cost	3,166,389	3,026,996
Less: accumulated depreciation and amortization	1,013,604	933,229
Net property and equipment	2,152,785	2,093,767
Notes receivable, less current portion	7,404	10,889
Goodwill	744,131	743,907
Other assets, net	41,780	44,328
Total assets	\$ 5,710,092	\$ 5,500,501
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	\$ 1,699,817	\$ 1,279,294
Self-insurance reserves	55,895	53,155
Accrued payroll	56,191	52,465
Accrued benefits and withholdings	41,332	41,512
Deferred income taxes	1,516	1,990
Other current liabilities	157,625	150,932
Current portion of long-term debt	522	662
Total current liabilities	2,012,898	1,580,010
Long-term debt, less current portion	796,884	796,912
Deferred income taxes	93,713	88,864
Other liabilities	193,945	189,864
Shareholders' equity:		
Common stock, \$0.01 par value:		
Authorized shares – 245,000,000		

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Issued and outstanding shares –		
122,014,308 as of June 30, 2012, and		
127,179,792 as of December 31, 2011	1,220	1,272
Additional paid-in capital	1,122,014	1,110,105
Retained earnings	1,489,418	1,733,474
Total shareholders' equity	2,612,652	2,844,851

Total liabilities and shareholders' equity	\$ 5,710,092	\$ 5,500,501
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Note: The balance sheet at December 31, 2011, has been derived from the audited consolidated financial statements at that date, but does not include all of the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements.

See accompanying Notes to condensed consolidated financial statements.

O'REILLY AUTOMOTIVE, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

(In thousands, except per share data)

	For the Three Months Ended		For the Six Months Ended	
	June 30, 2012	2011	June 30, 2012	2011
Sales	\$ 1,562,849	\$ 1,479,318	\$ 3,092,241	\$ 2,862,056
Cost of goods sold, including warehouse and distribution expenses	782,988	760,657	1,550,700	1,473,614
Gross profit	779,861	718,661	1,541,541	1,388,442
Selling, general and administrative expenses	536,258			