

DECKERS OUTDOOR CORP
Form 10-Q
February 09, 2015
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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 December 31, 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: 000-22446

DECKERS OUTDOOR CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

95-3015862

(I.R.S. Employer Identification No.)

250 Coromar Drive, Goleta, California

(Address of principal executive offices)

93117

(zip code)

(805) 967-7611

(Registrant's telephone number, including area code)

(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 the 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

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 Exchange 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.

Class	Outstanding at January 30, 2015
Common Stock, \$0.01 par value	34,568,408

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AND SUBSIDIARIESCondensed Consolidated Balance Sheets
(Unaudited)

(amounts in thousands, except par value)

	December 31, 2014	March 31, 2014
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 369,442	\$ 245,088
Trade accounts receivable, net of allowances (\$23,443 at December 31, 2014 and \$15,569 at March 31, 2014)	189,548	106,199
Inventories	293,905	211,519
Prepaid expenses	14,934	12,067
Other current assets	54,366	27,118
Deferred tax assets	20,967	21,871
Total current assets	943,162	623,862
Property and equipment, net of accumulated depreciation (\$123,299 at December 31, 2014 and \$103,090 at March 31, 2014)	216,055	184,570
Goodwill	127,934	127,934
Other intangible assets, net of accumulated amortization (\$35,561 at December 31, 2014 and \$26,026 at March 31, 2014)	92,033	91,411
Deferred tax assets	16,556	17,062
Other assets	21,101	19,365
Total assets	\$ 1,416,841	\$ 1,064,204
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term borrowings	\$ 5,367	\$ 6,702
Trade accounts payable	171,167	76,139
Accrued payroll	27,197	22,927
Other accrued expenses	32,438	11,624
Income taxes payable	46,419	2,908
Value added tax (VAT) payable	12,643	1,915
Total current liabilities	295,231	122,215
Mortgage payable	33,282	—
Other long-term liabilities	55,100	53,140
Commitments and contingencies (note 5)		
Stockholders' equity:		
Common stock, \$0.01 par value; 125,000 shares authorized; shares issued and outstanding of 34,567 at December 31, 2014 and 34,624 at March 31, 2014	346	346
Additional paid-in capital	154,429	146,731
Retained earnings	890,884	743,815
Accumulated other comprehensive loss	(12,431) (2,043
Total stockholders' equity	1,033,228	888,849
Total liabilities and stockholders' equity	\$ 1,416,841	\$ 1,064,204

See accompanying notes to condensed consolidated financial statements.

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DECKERS OUTDOOR CORPORATION
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Condensed Consolidated Statements of Comprehensive Income
(Unaudited)

(amounts in thousands, except per share data)

	Three Months Ended		Nine Months Ended	
	December 31,		December 31,	
	2014	2013	2014	2013
Net sales	\$ 784,678	\$ 736,048	\$ 1,476,420	\$ 1,292,858
Cost of sales	369,539	359,848	750,636	679,934
Gross profit	415,139	376,200	725,784	612,924
Selling, general and administrative expenses	200,558	174,701	502,102	407,679
Income from operations	214,581	201,499	223,682	205,245
Other expense (income), net:				