

Installed Building Products, Inc.
Form 10-Q
August 13, 2014
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended June 30, 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: 001-36307

Installed Building Products, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)
495 South High Street, Suite 50

45-3707650
(I.R.S. Employer Identification No.)

Columbus, Ohio
(Address of principal executive offices)
(614) 221-3399

43215
(Zip Code)

(Registrant's telephone number, including area code)

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 (Section 229.405 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 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. (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

On August 7, 2014 the registrant had 31,839,087 shares of common stock, par value \$0.01 per share, outstanding.

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INSTALLED BUILDING PRODUCTS, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(in thousands, except share and per share amounts)

	June 30, 2014	December 31, 2013
ASSETS		
Current assets		
Cash	\$ 5,133	\$ 4,065
Restricted cash	1,638	1,708
Accounts receivable (less allowance for doubtful accounts of \$2,164 and \$1,738 at June 30, 2014 and December 31, 2013, respectively)	63,325	58,351
Accounts receivable, related parties	1,350	475
Inventories	21,866	19,731
Income taxes receivable	896	41
Deferred offering costs	-	5,156
Other current assets	5,130	5,985
Total current assets	99,338	95,512
Property and equipment, net	35,130	29,475
Non-current assets		
Goodwill	50,530	49,328
Intangibles, net	12,862	13,400
Other non-current assets	3,957	3,355
Total non-current assets	67,349	66,083
Total assets	\$ 201,817	\$ 191,070
LIABILITIES, REDEEMABLE INSTRUMENTS AND STOCKHOLDERS EQUITY (DEFICIT)		
Current liabilities		
Current maturities of long-term debt	\$ 122	\$ 255
Current maturities of capital lease obligations	9,224	7,663
Accounts payable	44,478	40,114
Accounts payable, related parties	1,071	539
Accrued compensation	9,142	8,942
Other current liabilities	6,165	6,930
Total current liabilities	70,202	64,443

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Long-term debt	7,294	27,771
Capital lease obligations, less current maturities	17,369	14,370
Put option - Redeemable Preferred Stock	-	490
Deferred income taxes	9,967	9,571
Other long-term liabilities	11,080	9,006
Total liabilities	115,912	125,651
Commitments and contingencies (Note 10)		
Redeemable Preferred Stock; \$0.01 par value: 0 and 1,000 authorized, issued and outstanding at June 30, 2014 and December 31, 2013, respectively	-	55,838
Redeemable Common Stock; \$0.01 par value: 0 and 5,850,000 authorized, issued and outstanding at June 30, 2014 and December 31, 2013, respectively	-	81,010
Stockholders' equity (deficit)		
Preferred Stock; \$0.01 par value: 5,000,000 and 0 authorized, 0 and 0 shares issued and outstanding at June 30, 2014 and December 31, 2013, respectively	-	-
Common Stock; \$0.01 par value: 100,000,000 and 27,200,862 authorized, 31,839,087 and 16,183,901 shares issued and outstanding at June 30, 2014 and December 31, 2013, respectively	319	162
Additional paid in capital	154,497	-
Accumulated deficit	(68,911)	(71,591)
Total stockholders' equity (deficit)	85,905	(71,429)
Total liabilities, redeemable instruments and stockholders' equity (deficit)	\$ 201,817	\$ 191,070

See accompanying notes to condensed consolidated financial statements

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INSTALLED BUILDING PRODUCTS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

(in thousands, except share and per share amounts)

	Three months ended		Six months ended	
	June 30,		June 30,	
	2014	2013	2014	2013
Net revenue	\$ 126,348	\$ 104,687	\$ 232,294	\$ 196,649
Cost of sales	91,539	78,432	171,080	148,120
Gross profit	34,809	26,255	61,214	48,529
Operating expenses				
Selling	7,556	6,156	14,026	11,908
Administrative	21,957	16,854	40,318	32,300
Amortization	714	753	1,411	1,544
Operating income	4,582	2,492	5,459	2,777
Other expense (income)				
Interest expense	674	582	1,262	1,044
Other	98	(235)	(364)	(164)
	772	347	898	880
Income before income taxes	3,810	2,145	4,561	1,897
Income tax provision	1,483	709	1,833	704
Net income from continuing operations	2,327	1,436	2,728	1,193
Discontinued operations				
Loss from discontinued operations	33	486	78	773
Income tax benefit	(13)	(276)	(30)	(276)
Loss from discontinued operations, net of income taxes	20	210	48	497
Net income	2,307	1,226	2,680	696
Accretion charges on Redeemable Preferred Stock	-	(1,532)	(19,897)	(3,019)
Net income (loss) attributable to common shareholders	\$ 2,307	\$ (306)	\$ (17,217)	\$ (2,323)
Weighted average shares outstanding (basic and diluted)	30,777,955	22,033,901	28,370,787	22,033,901
Net income (loss) per share (basic and diluted)				

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Income (loss) per share from continuing operations attributable to common stockholders (basic and diluted)	\$	0.08	\$	(0.01)	\$	(0.61)	\$	(0.09)
Loss per share from discontinued operations attributable to common stockholders (basic and diluted)		(0.01)		(0.01)		-		(0.02)
Income (loss) per share attributable to common stockholders (basic and diluted)	\$	0.07	\$	(0.02)	\$	(0.61)	\$	(0.11)

See accompanying notes to condensed consolidated financial statements

Stock to on Value nts to le Stock fair surement	(8,357)	(8,357)	&nbs
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