

ALLIED MOTION TECHNOLOGIES INC
Form 10-Q
August 01, 2018
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 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, 2018

Commission File Number 0-04041

ALLIED MOTION TECHNOLOGIES INC.

(Exact name of Registrant as Specified in Its Charter)

Colorado
(State or other jurisdiction of
incorporation or organization)

84-0518115
(I.R.S. Employer
Identification No.)

495 Commerce Drive, Amherst, New York
(Address of principal executive offices)

14228
(Zip Code)

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(716) 242-8634

(Registrant's Telephone Number, Including Area Code)

(Former Address, 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 ninety (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, smaller reporting company, or an emerging growth company. See definitions of large accelerated filer, accelerated filer, smaller reporting company, and emerging growth company in Rule 12b-2 of the Securities Exchange Act. (Check one):

Large accelerated filer <input type="checkbox"/>	Accelerated filer <input checked="" type="checkbox"/>	Non-accelerated filer <input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company <input type="checkbox"/>	Emerging growth company <input type="checkbox"/>
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If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

Number of Shares of the only class of Common Stock outstanding: 9,475,078 as of August 1, 2018

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ALLIED MOTION TECHNOLOGIES INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except per share data)

(Unaudited)

	June 30, 2018	December 31, 2017
Assets		
Current assets:		
Cash and cash equivalents	\$ 15,329	\$ 15,590
Trade receivables, net of allowance for doubtful accounts of \$487 and \$341 at June 30, 2018 and December 31, 2017, respectively	41,267	31,822
Inventories	41,098	32,568
Prepaid expenses and other assets	3,590	3,460
Total current assets	101,284	83,440
Property, plant and equipment, net	40,115	38,403
Deferred income taxes	53	14
Intangible assets, net	33,828	32,073
Goodwill	35,121	29,531
Other long term assets	4,789	4,461
Total assets	\$ 215,190	\$ 187,922
Liabilities and Stockholders Equity		
Current liabilities:		
Debt obligations	453	461
Accounts payable	22,426	15,351
Accrued liabilities	15,030	14,270
Total current liabilities	37,909	30,082
Long-term debt	64,485	52,694
Deferred income taxes	3,305	3,609
Pension and post-retirement obligations	4,705	4,667
Other long term liabilities	9,261	9,523
Total liabilities	119,665	100,575
Stockholders Equity:		
Preferred stock, par value \$1.00 per share, authorized 5,000 shares; no shares issued or outstanding		
Common stock, no par value, authorized 50,000 shares; 9,475 and 9,427 shares issued and outstanding at June 30, 2018 and December 31, 2017, respectively	32,315	31,051
Retained earnings	69,790	61,882
Accumulated other comprehensive loss	(6,580)	(5,586)
Total stockholders equity	95,525	87,347
Total Liabilities and Stockholders Equity	\$ 215,190	\$ 187,922

See accompanying notes to condensed consolidated financial statements.

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ALLIED MOTION TECHNOLOGIES INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

(In thousands, except per share data)

(Unaudited)

	For the three months ended		For the six months ended	
	June 30,		June 30,	
	2018	2017	2018	2017
Revenues	\$ 79,981	\$ 60,335	\$ 156,557	\$ 121,689
Cost of goods sold	56,464	42,454	110,486	86,107
Gross profit	23,517	17,881	46,071	35,582
Operating costs and expenses:				
Selling	2,943	2,710	5,640	5,313
General and administrative	8,336	5,981	15,792	11,730
Engineering and development	4,963	4,404	9,918	8,595
Business development	165		316	
Amortization of intangible assets	878	799	1,762	1,592
Total operating costs and expenses	17,285	13,894	33,428	27,230
Operating income	6,232	3,987	12,643	8,352
Other expense (income):				
Interest expense	602			