

Under Armour, Inc.
Form 10-Q
November 05, 2013
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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 September 30, 2013
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 No. 001-33202

UNDER ARMOUR, INC.
(Exact name of registrant as specified in its charter)

Maryland	52-1990078
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1020 Hull Street	(410) 454-6428
Baltimore, Maryland 21230	
(Address of principal executive offices) (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 (§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 definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>

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

As of October 31, 2013, there were 85,633,439 shares of Class A Common Stock and 20,000,000 shares of Class B Convertible Common Stock outstanding.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Under Armour, Inc. and Subsidiaries
 Unaudited Consolidated Balance Sheets
 (In thousands, except share data)

	September 30, 2013	December 31, 2012	September 30, 2012
Assets			
Current assets			
Cash and cash equivalents	\$ 186,377	\$ 341,841	\$ 157,047
Accounts receivable, net	353,257	175,524	311,001
Inventories	497,406	319,286	312,158
Prepaid expenses and other current assets	56,064	43,896	42,726
Deferred income taxes	29,811	23,051	19,370
Total current assets	1,122,915	903,598	842,302
Property and equipment, net	201,603	180,850	170,157
Intangible assets, net	3,721	4,483	4,815
Deferred income taxes	26,766	22,606	20,544
Other long term assets	41,985	45,546	40,821
Total assets	\$ 1,396,990	\$ 1,157,083	\$ 1,078,639
Liabilities and Stockholders' Equity			
Current liabilities			
Accounts payable	\$ 184,405	\$ 143,689	\$ 112,187
Accrued expenses	109,344	85,077	81,802
Current maturities of long term debt	5,034	9,132	41,552
Other current liabilities	34,201	14,330	18,300
Total current liabilities	332,984	252,228	253,841
Long term debt, net of current maturities	49,148	52,757	30,682
Other long term liabilities	48,403	35,176	35,736
Total liabilities	430,535	340,161	320,259
Commitments and contingencies (see Note 4)			
Stockholders' equity			
Class A Common Stock, \$0.0003 1/3 par value; 200,000,000 shares authorized as of September 30, 2013, December 31, 2012 and September 30, 2012; 85,302,799 shares issued and outstanding as of September 30, 2013, 83,461,106 shares issued and outstanding as of December 31, 2012 and 83,045,895 shares issued and outstanding as of September 30, 2012	28	28	28
Class B Convertible Common Stock, \$0.0003 1/3 par value; 20,325,000 shares authorized, issued and outstanding as of September 30, 2013, 21,300,000 shares authorized, issued and outstanding as of December 31, 2012 and 21,600,000 shares authorized, issued and outstanding as of September 30, 2012	7	7	7
Additional paid-in capital	373,416	321,338	313,412
Retained earnings	590,582	493,181	443,437
Accumulated other comprehensive income	2,422	2,368	1,496
Total stockholders' equity	966,455	816,922	758,380
Total liabilities and stockholders' equity	\$ 1,396,990	\$ 1,157,083	\$ 1,078,639

See accompanying notes.

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Under Armour, Inc. and Subsidiaries
 Unaudited Consolidated Statements of Income
 (In thousands, except per share amounts)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2013	2012	2013	2012
Net revenues	\$723,146	\$575,196	\$1,649,295	\$1,329,058
Cost of goods sold	373,011	294,805	862,978	703,996
Gross profit	350,135	280,391	786,317	625,062
Selling, general and administrative expenses	229,306	189,411	619,686	497,959
Income from operations	120,829	90,980	166,631	127,103
Interest expense, net	(691) (1,303) (2,127) (3,978
Other income (expense), net	(113) (31) (670) 561
Income before income taxes	120,025	89,646	163,834	123,686
Provision for income taxes	47,241			