

LITTELFUSE INC /DE
Form 10-Q
August 01, 2018

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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 June 30, 2018

OR

TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES ACT OF 1934
For the transition period from ___ to ___

Commission file number 0-20388

LITTELFUSE, INC.

(Exact name of registrant as specified in its charter)

Delaware **36-3795742**
(State or other jurisdiction of (I.R.S. Employer Identification No.)
incorporation or organization)

8755 West Higgins Road, Suite 500
Chicago, Illinois **60631**
(Address of principal executive offices) (ZIP Code)

Registrant's telephone number, including area code: 773-628-1000

Securities registered pursuant to Section 12(b) of the Act:

Name of Each Exchange

Title of Each Class

On Which Registered

Common Stock, \$0.01 par value NASDAQ Global Select MarketSM

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 website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 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 a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act (Check one): Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

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. Yes No

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 July 27, 2018, the registrant had outstanding 25,080,569 shares of Common Stock, net of Treasury Shares.

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CONDENSED CONSOLIDATED BALANCE SHEETS**

(in thousands)	June 30, 2018	December 30, 2017
ASSETS		
Current assets:		
Cash and cash equivalents	\$408,147	\$429,676
Short-term investments	34	35
Trade receivables, less allowances (June 30, 2018 - \$34,724; December 30, 2017 - \$27,516)	260,444	182,699
Inventories	239,201	140,789
Prepaid income taxes and income taxes receivable	4,648	1,689
Prepaid expenses and other current assets	45,727	37,452
Total current assets	958,201	792,340
Property, plant, and equipment:		
Land	29,198	9,547
Buildings	118,432	86,599
Equipment	558,855	505,838
Accumulated depreciation and amortization	(367,730)	(351,407)
Net property, plant, and equipment	338,755	250,577
Intangible assets, net of amortization	390,052	203,850
Goodwill	832,227	453,414
Investments	31,326	10,993
Deferred income taxes	10,320	11,858
Other assets	27,113	17,070
Total assets	\$2,587,994	\$1,740,102
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$127,290	\$101,844
Accrued payroll	43,047	49,962
Accrued expenses	66,341	48,994
Accrued severance	1,049	1,459
Accrued income taxes	19,376	16,285
Current portion of long-term debt	10,060	6,250
Total current liabilities	267,163	224,794
Long-term debt, less current portion	687,538	489,361
Deferred income taxes	53,996	17,069
Accrued post-retirement benefits	33,210	18,742
Other long-term liabilities	76,067	62,580
Shareholders' equity:		
Common stock, par value \$0.01 per share: 34,000,000 shares authorized; shares issued, June 30, 2018—25,070,738; December 30, 2017 —22,713,198	253	229

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Treasury stock, at cost: 475,061 and 439,598 shares, respectively	(48,336)	(41,294)
Additional paid-in capital	815,826	310,012
Accumulated other comprehensive income	(89,684)	(63,668)
Retained earnings	791,831	722,140
Littelfuse, Inc. shareholders' equity	1,469,890	927,419
Non-controlling interest	130	137
Total equity	1,470,020	927,556
Total liabilities and equity	\$2,587,994	\$1,740,102

See accompanying Notes to Condensed Consolidated Financial Statements.

Table of Contents**LITTELFUSE, INC.****CONDENSED CONSOLIDATED STATEMENTS OF NET INCOME****(Unaudited)**

(in thousands, except per share data)	For the Three Months		For the Six Months	
	Ended		Ended	
	June 30,	July 1,	June 30,	July 1,
	2018	2017	2018	2017
Net sales	\$459,183	\$313,355	\$876,996	\$598,797
Cost of sales	290,196	180,747	558,386	352,539
Gross profit	168,987	132,608	318,610	246,258
Selling, general, and administrative expenses	73,244	53,438	150,758	100,139
Research and development expenses	22,748	12,729	45,288	24,881