

SIMPSON MANUFACTURING CO INC /CA/

Form 10-Q/A

November 17, 2004

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q/A**

AMENDMENT NO. 1

(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, 2004**

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: **0-23804**

**Simpson Manufacturing Co., Inc.**

(Exact name of registrant as specified in its charter)



## PART I FINANCIAL INFORMATION

## Item 1. Financial Statements.

## Simpson Manufacturing Co., Inc. and Subsidiaries

## Condensed Consolidated Balance Sheets

	2004	June 30, (Unaudited)	2003	December 31, 2003
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	\$ 34,437,611		\$ 89,942,479	\$ 95,135,885
Short-term investments	44,609,598		19,965,820	44,737,867
Trade accounts receivable, net	122,318,563		94,699,861	66,073,296
Inventories	130,852,748		97,004,974	106,202,713
Deferred income taxes	8,327,841		7,762,013	7,821,198
Other current assets	4,191,605		3,594,511	4,293,705
Total current assets	344,737,966		312,969,658	324,264,664
Property, plant and equipment, net	115,767,127		104,461,724	107,226,319
Goodwill	23,320,674		21,787,934	23,655,860
Other noncurrent assets	7,369,447		7,142,537	6,545,547
Total assets	\$ 491,195,214		\$ 446,361,853	\$ 461,692,390
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>				
Current liabilities				
Line of credit and current portion of long-term debt	\$ 813,001		\$ 1,977,686	\$ 1,113,657
Trade accounts payable	33,593,372		19,325,007	22,567,291
Accrued liabilities	21,985,781		14,994,313	15,181,487
Income taxes payable	1,184,413		4,302,466	
Accrued profit sharing trust contributions	3,483,106		3,006,125	6,021,136
Accrued cash profit sharing and commissions	13,209,050		10,782,301	7,459,428
Accrued workers' compensation	2,473,764		1,990,764	2,423,764
Total current liabilities	76,742,487		56,378,662	54,766,763
Long-term debt, net of current portion	2,482,698		5,313,247	5,177,936
Other long-term liabilities	1,164,452		838,418	1,443,440
Total liabilities	80,389,637		62,530,327	61,388,139
Commitments and contingencies (Notes 6 and 7)				
Stockholders' equity				
Common stock, at par value	249,767		247,724	248,896
Additional paid-in capital	68,958,034		59,669,773	63,583,654
Retained earnings	392,852,363		326,060,321	357,916,036
Accumulated other comprehensive income	6,293,911		3,755,706	7,982,663
Treasury stock	(57,548,498)		(5,901,998)	(29,426,998)

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Total stockholders' equity	410,805,577	383,831,526	400,304,251
Total liabilities and stockholders' equity	\$ 491,195,214	\$ 446,361,853	\$ 461,692,390

The accompanying notes are an integral part of these condensed consolidated financial statements.

**Simpson Manufacturing Co., Inc. and Subsidiaries****Condensed Consolidated Statements of Operations****(Unaudited)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2004	2003	2004	2003
Net sales	\$ 181,835,310	\$ 146,460,792	\$ 341,751,045	\$ 262,916,972
Cost of sales	107,384,638	85,569,521	202,721,737	156,415,122
Gross profit	74,450,672	60,891,271	139,029,308	106,501,850
Operating expenses:				
Selling	15,338,162	12,383,934	28,383,690	23,910,643
General and administrative	23,490,160	19,601,051	45,715,980	35,199,776
	38,828,322	31,984,985	74,099,670	59,110,419
Income from operations	35,622,350	28,906,286	64,929,638	47,391,431
Interest income (expense), net	(164,484)	106,808	108,363	236,757
Income before income taxes	35,457,866	29,013,094	65,038,001	47,628,188
Provision for income taxes	13,643,369	11,331,486	25,274,034	18,921,679
Net income	\$ 21,814,497	\$ 17,681,608	\$ 39,763,967	\$ 28,706,509
Net income per common share				
Basic	\$ 0.91	\$ 0.72	\$ 1.65	\$ 1.17
Diluted	\$ 0.89	\$ 0.71	\$ 1.62	\$ 1.15
Cash dividends declared per common share	\$ 0.10	\$	\$ 0.20	\$
Number of shares outstanding				
Basic	24,012,686	24,604,164	24,142,474	24,592,820
Diluted	24,434,951	24,957,412	24,552,762	24,936,338

The accompanying notes are an integral part of these condensed consolidated financial statements.

## Simpson Manufacturing Co., Inc. and Subsidiaries

## Condensed Consolidated Statements of Stockholders Equity

for the six months ended June 30, 2003 and 2004 and December 31, 2003

(Unaudited)

	Common Stock Shares	Common Stock Par Value	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income	Treasury Stock	Total
Balance, January 1, 2003	24,565,254	\$ 246,996	\$ 57,176,636	\$ 297,353,812	\$ 308,300	\$ (5,901,998)	\$ 349,183,746
Comprehensive income:							
Net income				28,706,509			28,706,509
Other comprehensive income:							
Change in net unrealized gains on available-for-sale investments					(5,494)		(5,494)
Translation adjustment					3,452,900		3,452,900
Comprehensive income	32,153,915						
Options exercised	64,033	640	976,609				977,249
Stock compensation expense			770,325				770,325
Tax benefit of options exercised			456,771				456,771
Common stock issued at \$32.90 per share	8,800	88	289,432				289,520
Balance, June 30, 2003	24,638,087	247,724	59,669,773	326,060,321	3,755,706	(5,901,998)	383,831,526
Comprehensive income:							