

COOPER COMPANIES INC  
Form 10-Q  
September 05, 2014

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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FORM 10-Q

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Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934  
For Quarterly Period Ended July 31, 2014

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 1-8597

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The Cooper Companies, Inc.  
(Exact name of registrant as specified in its charter)

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Delaware 94-2657368  
(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification No.)  
6140 Stoneridge Mall Road, Suite 590, Pleasanton, CA 94588  
(Address of principal executive offices) (Zip Code)  
Registrant's telephone number, including area code (925) 460-3600

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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 (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

Indicate the number of shares outstanding of each of issuer's classes of common stock, as of the latest practicable date.  
Common Stock, \$.10 par value 48,282,203 Shares  
Class Outstanding at July 31, 2014

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## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

## THE COOPER COMPANIES, INC. AND SUBSIDIARIES

## Consolidated Statements of Income

Periods Ended July 31,

(In thousands, except for earnings per share)

(Unaudited)

	Three Months		Nine Months	
	2014	2013	2014	2013
Net sales	\$432,482	\$411,993	\$1,249,779	\$1,175,873
Cost of sales	151,892	143,719	437,761	412,923
Gross profit	280,590	268,274	812,018	762,950
Selling, general and administrative expense	161,203	152,141	475,095	453,487
Research and development expense	16,070	14,865	48,077	43,008
Amortization of intangibles	6,752	7,660	21,735	22,553
Operating income	96,565	93,608	267,111	243,902
Interest expense	1,499	2,258	4,713	7,268
Gain on insurance proceeds	—	—	—	14,084
Other expense (income), net	683	86	739	(461)
Income before income taxes	94,383	91,264	261,659	251,179
Provision for income taxes	5,711	2,072	21,087	11,585
Net income	\$88,672	\$89,192	\$240,572	\$239,594
Less: income attributable to noncontrolling interests	605	241	1,502	840
Net income attributable to Cooper stockholders	\$88,067	\$88,951	\$239,070	\$238,754
Earnings per share attributable to Cooper stockholders - basic	\$1.83	\$1.82	\$4.98	\$4.91
Earnings per share attributable to Cooper stockholders - diluted	\$1.80	\$1.79	\$4.89	\$4.81
Number of shares used to compute earnings per share:				
Basic	48,042	48,791	47,990	48,588
Diluted	48,922	49,754	48,901	49,623

See accompanying notes.

## THE COOPER COMPANIES, INC. AND SUBSIDIARIES

## Consolidated Statements of Comprehensive Income (Loss)

Periods Ended July 31,

(In thousands)

(Unaudited)

	Three Months		Nine Months	
	2014	2013	2014	2013
Net income	\$88,672	\$89,192	\$240,572	\$239,594
Other comprehensive income (loss):				
Foreign currency translation adjustment	(8,989 )	(12,697 )	14,168	(26,108 )
Change in value of derivative instruments, net of tax provision of \$144 and \$541 for the three and nine months ended July 31, 2014, respectively, and \$260 and \$647 for the corresponding periods of fiscal 2013, respectively	225	406	846	1,013
Change in minimum pension liability, net of tax	7	7	22	22