

VALMONT INDUSTRIES INC
Form 10-Q
July 28, 2016

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

Form 10-Q
(Mark One)

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the quarterly period ended June 25, 2016

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 1-31429

Valmont Industries, Inc.
(Exact name of registrant as specified in its charter)
Delaware 47-0351813
(State or Other Jurisdiction of (I.R.S. Employer
Incorporation or Organization) Identification No.)
One Valmont Plaza,
Omaha, Nebraska 68154-5215
(Address of Principal Executive Offices) (Zip Code)

(402) 963-1000
(Registrant's telephone number, including area code)
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Sections 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 Accelerated filer Non accelerated filer Smaller reporting company
(Do not check if a 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

22,637,254

Outstanding shares of common stock as of July 21, 2016

VALMONT INDUSTRIES, INC.

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VALMONT INDUSTRIES, INC. AND SUBSIDIARIES
PART I. FINANCIAL INFORMATION
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
(Dollars in thousands, except per share amounts)
(Unaudited)

	Thirteen Weeks Ended		Twenty-six Weeks Ended	
	June 25, 2016	June 27, 2015	June 25, 2016	June 27, 2015
Product sales	\$570,762	\$611,782	\$1,103,702	\$1,215,676
Services sales	69,487	70,341	133,152	136,845
Net sales	640,249	682,123	1,236,854	1,352,521
Product cost of sales	418,072	461,173	811,564	920,714
Services cost of sales	47,060	51,402	89,204	96,805
Total cost of sales	465,132	512,575	900,768	1,017,519
Gross profit	175,117	169,548	336,086	335,002
Selling, general and administrative expenses	103,311	115,548	201,915	223,319
Operating income	71,806	54,000	134,171	111,683
Other income (expenses):				
Interest expense	(11,122)	(11,232)	(22,176)	(22,360)
Interest income	707	616	1,518	1,490
Other	1,252	(28)	(426)	988
Earnings before income taxes	(9,163)	(10,644)	(21,084)	(19,882)
Income tax expense (benefit):				
Current	22,745	19,136	33,259	30,910
Deferred	(3,544)	(5,219)	2,215	(55)
Net earnings	19,201	13,917	35,474	30,855
Less: Earnings attributable to noncontrolling interests	43,442	29,439	77,613	60,946
Net earnings attributable to Valmont Industries, Inc.	(1,416)	(1,566)	(2,618)	(2,334)
Earnings per share:	\$42,026	\$27,873	\$74,995	\$58,612
Basic	\$1.86	\$1.19	\$3.31	\$2.48
Diluted	\$1.85	\$1.19	\$3.29	\$2.47
Cash dividends declared per share	\$0.375	\$0.375	\$0.750	\$0.750
Weighted average number of shares of common stock outstanding - Basic (000 omitted)	22,602	23,336	22,651	23,602
Weighted average number of shares of common stock outstanding - Diluted (000 omitted)	22,749	23,450	22,782	23,716

See accompanying notes to condensed consolidated financial statements.

VALMONT INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Dollars in thousands)
(Unaudited)

	Thirteen Weeks Ended		Twenty-six Weeks Ended	
	June 25, 2016	June 27, 2015	June 25, 2016	June 27, 2015
Net earnings	\$43,442			