

COOPER COMPANIES INC
Form 10-Q
September 02, 2016

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

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For Quarterly Period Ended July 31, 2016
 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

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

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

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 48,742,150 Shares
Class Outstanding at July 31, 2016

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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	
	2016	2015	2016	2015
Net sales	\$514,726	\$461,678	\$1,448,160	\$1,341,524
Cost of sales	198,085	188,791	571,057	524,570
Gross profit	316,641	272,887	877,103	816,954
Selling, general and administrative expense	182,403	191,783	533,666	532,901
Research and development expense	16,013	18,298	47,470	51,229
Amortization of intangibles	15,553	12,495	46,068	38,406
Operating income	102,672	50,311	249,899	194,418
Interest expense	7,983	4,690	20,869	13,323
Other expense, net	1,274	1,020	2,247	2,037
Income before income taxes	93,415	44,601	226,783	179,058
Provision for (benefit from) income taxes	5,172	(642)	12,344	10,929
Net income	88,243	45,243	214,439	168,129
Less: net income attributable to noncontrolling interests	315	292	1,030	1,285
Net income attributable to Cooper stockholders	\$87,928	\$44,951	\$213,409	\$166,844
Earnings per share attributable to Cooper stockholders - basic	\$1.81	\$0.92	\$4.41	\$3.45
Earnings per share attributable to Cooper stockholders - diluted	\$1.79	\$0.91	\$4.36	\$3.39
Number of shares used to compute earnings per share:				
Basic	48,578	48,600	48,436	48,421
Diluted	49,048	49,244	48,902	49,157

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	
	2016	2015	2016	2015
Net income	\$88,243	\$45,243	\$214,439	\$168,129
Other comprehensive income (loss):				
Foreign currency translation adjustment	(126,887)	17,225	(188,411)	(62,027)
Change in value of derivative instruments, net of tax provision of \$30 in 2015	—	—	—	47
Change in minimum pension liability, net of tax	7	7	22	22
Other comprehensive (loss) income	(126,880)	17,232	(188,389)	(61,958)
Comprehensive (loss) income	(38,637)			