

CABOT MICROELECTRONICS CORP
Form 10-Q
February 06, 2015

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 the quarterly period ended

DECEMBER 31, 2014

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 000 30205

CABOT MICROELECTRONICS CORPORATION
(Exact name of registrant as specified in its charter)

DELAWARE 36-4324765
(State of Incorporation) (I.R.S. Employer Identification No.)

870 NORTH COMMONS DRIVE 60504
AURORA, ILLINOIS (Zip Code)
(Address of principal executive offices)

Registrant's telephone number, including area code: (630) 375 6631

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.

YESXNO

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 (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).

YESXNO

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 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

As of January 31, 2015, the Company had 24,074,291 shares of Common Stock, par value \$0.001 per share, outstanding.

CABOT MICROELECTRONICS CORPORATION

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ITEM 1.CABOT MICROELECTRONICS CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited and in thousands, except per share amounts)

	Three Months Ended December 31,	
	2014	2013
Revenue	\$111,934	\$100,515
Cost of goods sold	54,960	52,801
Gross profit	56,974	47,714
Operating expenses:		
Research, development and technical	15,018	14,571
Selling and marketing	7,639	6,707
General and administrative	11,751	10,726
Total operating expenses	34,408	32,004
Operating income	22,566	15,710
Interest expense	906	872
Other income, net	1,057	617
Income before income taxes	22,717	15,455
Provision for income taxes	2,801	4,147
Net income	\$19,916	\$11,308
Basic earnings per share	\$0.83	\$0.47
Weighted average basic shares outstanding	23,651	23,590
Diluted earnings per share	\$0.80	\$0.45
Weighted average diluted shares outstanding	24,486	24,623

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

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CABOT MICROELECTRONICS CORPORATION
 CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
 (Unaudited and in thousands)

	Three Months Ended December 31,	
	2013	2012
Net income	\$19,916	\$11,308
Other comprehensive income (loss), net of tax:		
Foreign currency translation adjustments	(8,332)	(4,760)
Net unrealized losses on cash flow hedges	(169)	-
Unrealized gain on investment	-	151
Other comprehensive income (loss), net of tax	(8,501)	(4,609)
Comprehensive income	\$11,415	\$6,699

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

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CABOT MICROELECTRONICS CORPORATION

CONSOLIDATED BALANCE SHEETS

(Unaudited and in thousands, except share amounts)

	December 31, 2014	September 30, 2014
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 295,429	\$ 284,155
Accounts receivable, less allowance for doubtful accounts of \$1,311 at December 31, 2014, and \$1,392 at September 30, 2014	61,365	60,693
Inventories, net	62,618	64,979
Prepaid expenses and other current assets	16,940	10,645
Deferred income taxes	8,105	7,521
Total current assets	444,457	427,993
Property, plant and equipment, net	95,299	100,821
Goodwill	41,866	43,245
Other intangible assets, net	6,418	7,163
Deferred income taxes	8,494	11,353
Other long-term assets	11,540	10,592
Total assets	\$ 608,074	\$ 601,167
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 13,137	\$ 15,304
Accrued expenses, income taxes payable and other current liabilities	31,832	31,394
Current portion of long-term debt	8,750	8,750
Total current liabilities	53,719	55,448
Long-term debt, net of current portion	161,875	164,063
Deferred income taxes	355	510
Other long-term liabilities	9,080	9,144
Total liabilities	225,029	229,165