

PUBLIX SUPER MARKETS INC
Form 10-Q
May 10, 2012

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 March 31, 2012

Commission File Number 0-00981

PUBLIX SUPER MARKETS, INC.

(Exact name of Registrant as specified in its charter)

Florida
(State of incorporation)

59-0324412
(I.R.S. Employer Identification No.)

3300 Publix Corporate Parkway

Lakeland, Florida
(Address of principal executive offices)

33811
(Zip code)

Registrant's telephone number, including area code: **(863) 688-1188**

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 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 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 the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

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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

The number of shares of the Registrant's common stock outstanding as of April 20, 2012 was 787,581,000.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

PUBLIX SUPER MARKETS, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(Amounts are in thousands, except par value)

	March 31, 2012	December 31, 2011 (Unaudited)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 617,923	366,853
Short-term investments	531,556	447,972
Trade receivables	553,194	542,990
Merchandise inventories	1,375,471	1,361,709
Deferred tax assets	62,135	59,400
Prepaid expenses	34,931	24,316
Total current assets	3,175,210	2,803,240
Long-term investments	4,265,494	3,805,283
Other noncurrent assets	178,840	171,179
Property, plant and equipment	8,653,010	8,621,316
Accumulated depreciation	(4,150,183)	(4,132,786)
Net property, plant and equipment	4,502,827	4,488,530
	\$ 12,122,371	11,268,232
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$ 1,299,732	1,133,120
Accrued expenses:		
Contribution to retirement plans	207,352	405,818
Self-insurance reserves	131,019	125,569
Salaries and wages	151,425	110,207
Dividends payable	464,560	
Other	238,633	221,713
Current portion of long-term debt	15,338	15,124
Federal and state income taxes	232,383	39,225
Total current liabilities	2,740,442	2,050,776
Deferred tax liabilities	319,194	316,802
Self-insurance reserves	221,413	219,660
Accrued postretirement benefit cost	103,582	103,595
Long-term debt	125,028	119,460
Other noncurrent liabilities	119,396	116,482

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Total liabilities	3,629,055	2,926,775
Common stock related to Employee Stock Ownership Plan (ESOP)	2,391,965	2,137,217
Stockholders' equity:		
Common stock of \$1 par value. Authorized 1,000,000 shares; issued and outstanding 790,011 shares in 2012 and 779,675 shares in 2011	790,011	779,675
Additional paid-in capital	1,581,730	1,354,881
Retained earnings	6,076,039	6,131,193
Treasury stock at cost, 2,306 shares in 2012	(51,660)	
Accumulated other comprehensive earnings	51,359	30,261
Common stock related to ESOP	(2,391,965)	(2,137,217)
Total stockholders' equity	6,055,514	6,158,793
Noncontrolling interests	45,837	45,447
Total equity	8,493,316	8,341,457
	\$ 12,122,371	11,268,232

See accompanying notes to condensed consolidated financial statements.

PUBLIX SUPER MARKETS, INC.**CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS**

(Amounts are in thousands, except per share amounts)

	Three Months Ended	
	March 31, 2012	March 26, 2011
	(Unaudited)	
Revenues:		
Sales	\$ 7,070,446	6,788,030
Other operating income	55,650	48,372
 Total revenues	 7,126,096	 6,836,402
Costs and expenses:		
Cost of merchandise sold	5,109,277	4,877,323
Operating and administrative expenses	1,417,470	1,387,359
 Total costs and expenses	 6,526,747	 6,264,682
 Operating profit	 599,349	 571,720
Investment income, net	18,339	25,132
Other income, net	6,289	7,178
 Earnings before income tax expense	 623,977	 604,030
Income tax expense	214,566	205,863
 Net earnings	 \$ 409,411	 398,167
 Weighted average shares outstanding	 782,080	 782,728
 Basic and diluted earnings per share	 \$ 0.52	 0.51
 Cash dividends declared per common share	 \$ 0.59	 0.53

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS

(Amounts are in thousands)

	Three Months Ended	
	March 31, 2012	March 26, 2011
	(Unaudited)	
Net earnings	\$ 409,411	398,167

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Other comprehensive earnings:

Unrealized gain on available-for-sale (AFS) securities, net of tax effect of \$13,077 and \$6,285 in 2012 and 2011, respectively	20,766	9,980
Reclassification adjustment for net realized gain on AFS securities, net of tax effect of (\$92) and (\$3,104) in 2012 and 2011, respectively	(146)	(4,929)
Adjustment to postretirement benefit plan obligation, net of tax effect of \$301 and \$103 in 2012 and 2011, respectively	478	165
Comprehensive earnings	\$ 430,509	403,383

See accompanying notes to condensed consolidated financial statements.

PUBLIX SUPER MARKETS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts are in thousands)

	Three Months Ended	
	March 31, 2012	March 26, 2011
	(Unaudited)	
Cash flows from operating activities:		
Cash received from customers	\$ 7,077,420	6,794,890
Cash paid to employees and suppliers	(6,069,152)	(5,840,286)
Income taxes paid	(35,161)	(17,110)
Self-insured claims paid	(60,360)	(59,871)
Dividends and interest received	37,519	39,989
Other operating cash receipts	53,751	46,337
Other operating cash payments	(2,433)	(2,384)
Net cash provided by operating activities	1,001,584	961,565
Cash flows from investing activities:		
Payment for property, plant and equipment	(133,040)	(114,321)
Proceeds from sale of property, plant and equipment	1,437	1,317
Payment for investments	(681,110)	(704,931)
Proceeds from sale and maturity of investments	155,858	173,435
Net cash used in investing activities	(656,855)	(644,500)
Cash flows from financing activities:		
Payment for acquisition of common stock	(141,860)	(121,270)
Proceeds from sale of common stock	48,479	49,283
Repayments of long-term debt	(668)	(459)
Other, net	390	(722)
Net cash used in financing activities	(93,659)	(73,168)
Net increase in cash and cash equivalents	251,070	243,897
Cash and cash equivalents at beginning of period	366,853	605,901
Cash and cash equivalents at end of period	\$ 617,923	849,798

See accompanying notes to condensed consolidated financial statements.

(Continued)

PUBLIX SUPER MARKETS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)

(Amounts are in thousands)

	Three Months Ended	
	March 31, 2012	March 26, 2011
	(Unaudited)	
Reconciliation of net earnings to net cash provided by operating activities:		
Net earnings	\$ 409,411	398,167
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	121,865	124,973
Retirement contributions paid or payable in common stock	80,439	81,410
Deferred income taxes	(13,629)	5,225
Loss on disposal and impairment of property, plant and equipment	5,022	2,843
Gain on AFS securities	(238)	(8,033)
Net amortization of investments	25,312	16,481
Changes in operating assets and liabilities providing (requiring) cash:		
Trade receivables	(9,982)	4,084
Merchandise inventories	(13,762)	96,063
Prepaid expenses and other noncurrent assets	(21,407)	(6,738)
Accounts payable and accrued expenses	214,512	61,202
Self-insurance reserves	7,203	5,076
Federal and state income taxes	193,158	183,627
Other noncurrent liabilities		