

MYERS INDUSTRIES INC  
Form 10-Q  
November 08, 2016

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 September 30, 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 1-8524

Myers Industries, Inc.

(Exact name of registrant as specified in its charter)

Ohio	34-0778636
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification Number)

1293 South Main Street	
Akron, Ohio	44301
(Address of principal executive offices)	(Zip code)

(330) 253-5592

(Registrant's telephone number, including area code)

Edgar Filing: MYERS INDUSTRIES INC - Form 10-Q

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. (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  .

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding as of October 31, 2016
Common Stock, without par value	29,922,024 shares

TABLE OF CONTENTS

Part I — Financial Information

Item 1. Financial Statements

<u>Condensed Consolidated Statements of Operations (Unaudited)</u>	1
<u>Condensed Consolidated Statements of Comprehensive Income (Loss) (Unaudited)</u>	2
<u>Condensed Consolidated Statements of Financial Position (Unaudited)</u>	3
<u>Condensed Consolidated Statement of Shareholders' Equity (Unaudited)</u>	5
<u>Condensed Consolidated Statements of Cash Flows (Unaudited)</u>	6
<u>Notes to Unaudited Condensed Consolidated Financial Statements</u>	7

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations 18

Item 3. Quantitative and Qualitative Disclosures About Market Risk 22

Item 4. Controls and Procedures 23

Part II — Other Information 24

Item 1. Legal Proceedings 24

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds 24

Item 6. Exhibits 24

Signature 24

- Exhibit 31(a)
- Exhibit 31(b)
- Exhibit 32
- Exhibit 101

Part I — Financial Information

## Item 1. Financial Statements

## MYERS INDUSTRIES, INC. AND SUBSIDIARIES

## Condensed Consolidated Statements of Operations (Unaudited)

(Dollars in thousands, except per share data)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2016	2015	2016	2015
Net sales	\$132,676	\$141,661	\$427,998	\$462,344
Cost of sales	96,758	99,975	299,373	324,320
Gross profit	35,918	41,686	128,625	138,024
Selling, general and administrative expenses	32,932	39,108	103,470	108,987
Impairment charges	—	—	9,874	—
Operating income	2,986	2,578	15,281	29,037
Interest expense, net	2,015	1,729	6,087	6,899
Income from continuing operations before income taxes	971	849	9,194	22,138
Income tax expense	547	218	6,422	7,960
Income from continuing operations	424	631	2,772	14,178
Income (loss) from discontinued operations, net of income tax	(10 )	(298 )	(257 )	2,813
Net income	\$414	\$333	\$2,515	\$16,991
Income per common share from continuing operations:				
Basic	\$0.01	\$0.02	\$0.09	\$0.46
Diluted	\$0.01	\$0.02	\$0.09	\$0.45
Income (loss) per common share from discontinued operations:				
Basic	\$—	\$(0.01 )	\$(0.01 )	\$0.09
Diluted	\$—	\$(0.01 )	\$(0.01 )	\$0.09
Net income per share:				
Basic	\$0.01	\$0.01	\$0.08	\$0.55
Diluted	\$0.01	\$0.01	\$0.08	\$0.54
Dividends declared per share	\$0.14	\$0.14	\$0.41	\$0.41

See notes to unaudited condensed consolidated financial statements.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Comprehensive Income (Loss) (Unaudited)

(Dollars in thousands)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2016	2015	2016	2015
Net income	\$414	\$333	\$2,515	\$16,991
Other comprehensive income (loss)				
Foreign currency translation adjustment	(823)	(11,833)	6,009	(32,718)
Comprehensive income (loss)	\$(409)	\$(11,500)	\$8,524	\$(15,727)

See notes to unaudited condensed consolidated financial statements.

MYERS INDUSTRIES, INC. AND SUBSIDIARIES

Condensed Consolidated Statements of Financial Position (Unaudited)

(Dollars in thousands)

	September 30, 2016	December 31, 2015
Assets		
Current Assets		
Cash	\$ 5,538	\$ 7,344
Restricted cash	8,627	8,627
Accounts receivable, less allowances of \$926 and \$559, respectively		