

INTER PARFUMS INC
Form 10-Q
August 09, 2006

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

FORM 10-Q

(MARK ONE)

Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended June 30, 2006.

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 No. **0-16469**

INTER PARFUMS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

13-3275609

(I.R.S. Employer
Identification No.)

551 Fifth Avenue, New York, New York

(Address of Principal Executive Offices)

10176

(Zip Code)

(212) 983-2640

(Registrants telephone number, including area code)

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 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 is a large accelerated filer, an accelerated filer or a non-accelerated filer. See definition of "accelerated filer" and "large accelerated filer" in Rule 12b-2 of the Exchange Act).

Large accelerated Filer Accelerated filer Non-accelerated filer

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.

At August 7, 2006 there were 20,317,810 shares of common stock, par value \$.001 per share, outstanding.

**INTER PARFUMS, INC. AND SUBSIDIARIES
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INTER PARFUMS, INC. AND SUBSIDIARIES

Part I. Financial Information

Item 1. Financial Statements

In our opinion, the accompanying unaudited consolidated financial statements contain all adjustments (consisting only of normal recurring adjustments) necessary to present fairly our financial position, results of operations and cash flows for the interim periods presented. We have condensed such financial statements in accordance with the rules and regulations of the Securities and Exchange Commission. Therefore, such financial statements do not include all disclosures required by accounting principles generally accepted in the United States of America. These financial statements should be read in conjunction with our audited financial statements for the year ended December 31, 2005 included in our annual report filed on Form 10-K.

The results of operations for the six months ended June 30, 2006 are not necessarily indicative of the results to be expected for the entire fiscal year.

INTER PARFUMS, INC. AND SUBSIDIARIES**CONSOLIDATED BALANCE SHEETS**
(In thousands except share and per share data)

	June 30, 2006	December 31, 2005
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(unaudited)

ASSETS**Current assets:**

Cash and cash equivalents	\$ 44,197	\$ 42,132
Short-term investments	14,600	17,400
Accounts receivable, net	94,104	82,231
Inventories	70,983	48,631
Receivables, other	4,223	2,119
Other current assets	5,561	4,213
Income tax receivable	104	104
Deferred tax assets	3,819	3,011
Total current assets	237,591	199,841
Equipment and leasehold improvements, net	6,842	5,835
Trademarks, licenses and other intangible assets, net	30,765	30,136
Goodwill	4,810	4,476
Other assets	600	622
	\$ 280,608	\$ 240,910

LIABILITIES AND SHAREHOLDERS' EQUITY**Current liabilities:**

Loans payable - banks	\$ 9,331	\$ 989
Current portion of long-term debt	4,068	3,775
Accounts payable	48,386	40,359
Accrued expenses	26,588	21,555
Income taxes payable	471	1,269
Dividends payable	813	810
Total current liabilities	89,657	68,757
Long-term debt, less current portion	8,136	9,437
Deferred tax liability	2,036	1,783
Put option	1,177	743

Minority interest	37,627	32,463
Shareholders' equity:		
Preferred stock, \$.001 par; authorized 1,000,000 shares; none issued		
Common stock, \$.001 par; authorized 100,000,000 shares; outstanding 20,317,810 and 20,252,310 shares at June 30, 2006 and December 31, 2005, respectively	20	20
Additional paid-in capital	37,214	36,640
Retained earnings	119,036	112,802
Accumulated other comprehensive income	11,014	3,574
Treasury stock, at cost, 6,302,768 common shares at June 30, 2006 and December 31, 2005	(25,309)	(25,309)
	141,975	127,727
	\$ 280,608	\$ 240,910

See notes to consolidated financial statements.

INTER PARFUMS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(In thousands except per share data)

(Unaudited)

Three Months Ended		Six Months Ended	
June 30,		June 30,	
2006	2005	2006	2005