

RAVEN INDUSTRIES INC  
Form 10-Q  
November 26, 2014

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 October 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: 001-07982

RAVEN INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

South Dakota

(State or other jurisdiction of incorporation or  
organization)

46-0246171

(IRS Employer Identification No.)

205 East 6th Street, P.O. Box 5107, Sioux Falls, SD 57117-5107

(Address of principal executive offices)

(605) 336-2750

(Registrant's telephone number including area code)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

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

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company   
(Do not check if a 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 November 21, 2014 there were 38,044,464 shares of common stock, \$1 par value, of Raven Industries, Inc. outstanding. There were no other classes of stock outstanding.

RAVEN INDUSTRIES, INC.  
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## PART I — FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

RAVEN INDUSTRIES, INC.  
CONSOLIDATED BALANCE SHEETS  
(unaudited)

(Dollars and shares in thousands, except per-share data)	October 31, 2014	January 31, 2014	October 31, 2013
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$66,358	\$52,987	\$48,648
Short-term investments	250	250	—
Accounts receivable, net	54,533	54,643	63,960
Inventories	51,800	54,865	51,396
Deferred income taxes	3,299	3,372	3,631
Other current assets	2,881	3,288	2,639
Total current assets	179,121	169,405	170,274
Property, plant and equipment, net	100,369	98,076	95,804
Goodwill	25,234	22,274	22,274
Amortizable intangible assets, net	9,005	8,156	8,433
Other assets, net	3,734	3,908	3,779
<b>TOTAL ASSETS</b>	<b>\$317,463</b>	<b>\$301,819</b>	<b>\$300,564</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Current liabilities			
Accounts payable	\$11,614	\$12,324	\$15,470
Accrued liabilities	16,922	16,248	18,594
Customer advances	1,540	1,247	1,513
Total current liabilities	30,076	29,819	35,577
Other liabilities	20,432	20,538	18,657
Commitments and contingencies			
Shareholders' equity			
Common stock, \$1 par value, authorized shares 100,000; issued 65,400; 65,318; and 65,293, respectively	65,400	65,318	65,293
Paid-in capital	14,579	10,556	9,326
Retained earnings	242,973	231,029	227,149
Accumulated other comprehensive loss	(2,693)	(2,179)	(2,176)
Treasury stock at cost, 28,897 shares	(53,362)	(53,362)	(53,362)
Total Raven Industries, Inc. shareholders' equity	266,897	251,362	246,230
Noncontrolling interest	58	100	100
Total shareholders' equity	266,955	251,462	246,330
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$317,463</b>	<b>\$301,819</b>	<b>\$300,564</b>

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

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## RAVEN INDUSTRIES, INC.

## CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

(unaudited)

(Dollars in thousands, except per-share data)	Three Months Ended		Nine Months Ended	
	October 31, 2014	October 31, 2013	October 31, 2014	October 31, 2013
Net sales	\$91,292	\$104,938	\$288,287	\$302,039
Cost of sales	66,953	72,998	206,524	208,448
Gross profit	24,339	31,940	81,763	93,591
Research and development expenses	4,318	3,958	13,675	12,183
Selling, general and administrative expenses	9,862	9,850	30,701	