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AMCON DISTRIBUTING CO  
Form 8-K  
July 19, 2007

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

FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D) OF THE  
SECURITIES ACT OF 1934

Date of Report (Date of earliest event reported) July 19, 2007  
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AMCON DISTRIBUTING COMPANY  
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(Exact name of registrant as specified in its charter)

DELAWARE	1-15589	47-0702918
-----	-----	-----
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

7405 Irvington Road, Omaha, NE 68122  
-----  
(Address of principal executive offices) (Zip Code)

(402) 331-3727  
-----  
(Registrant's telephone number, including area code)

Not Applicable  
-----  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)  
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Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)  
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Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))  
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Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))  
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Item 2.02 Results of Operations and Financial Condition.

On July 19, 2007, AMCON Distributing Company ("AMCON or "Company") issued a press release announcing its financial results for the third fiscal quarter ended June 30, 2007. A copy of the press release is attached to this report as an exhibit and is incorporated herein by reference.

The information in this report (including the exhibit) shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information set forth in this report (including the exhibit) shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

EXHIBIT NO.	DESCRIPTION
99.1	Press release, dated July 19, 2007, issued by AMCON Distributing Company announcing financial results for the third fiscal quarter ended June 30, 2007

SIGNATURE

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMCON DISTRIBUTING COMPANY  
(Registrant)

Date: July 19, 2007

By : Andrew C. Plummer  
-----  
Name: Andrew C. Plummer  
Title: Vice President &  
Chief Financial Officer

EXHIBIT INDEX  
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Exhibit	Description
99.1	Press release, dated July 19, 2007, issued by AMCON Distributing Company announcing financial results for the third fiscal quarter ended June 30, 2007

Exhibit 99.1

AMCON DISTRIBUTING COMPANY REPORTS FULLY DILUTED THIRD QUARTER EARNINGS OF \$1.29 PER SHARE

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RELEASE

Chicago, IL, July 19, 2007 - AMCON Distributing Company ("AMCON") (AMEX:DIT), an Omaha, Nebraska based consumer products company is pleased to announce its results for the third fiscal quarter and nine months ended June 30, 2007. "Our two core businesses continue to perform in line with our expectations." said Christopher Atayan, AMCON's Chief Executive Officer. "However, management continues to devote considerable time and resources toward residual litigation in connection with our discontinued operations. Thus, we are delighted to have been able to show a fully diluted profit for the quarter."

For the first nine months of fiscal 2007, AMCON reported revenues of \$602.2 million in its Wholesale Distribution segment and operating income before depreciation and amortization of \$9.1 million. AMCON's retail health food business reported revenues of \$28.4 million and operating income before depreciation and amortization of \$2.4 million for the first nine months of fiscal 2007.

Andrew Plummer, AMCON's Chief Financial Officer said, "During the third quarter of fiscal 2007 we incurred legal and professional costs associated with our former beverage businesses of \$1.0 million, or \$1.21 per diluted share, which are accounted for in continuing operations. The producer price index published by the Bureau of Labor statistics continues to increase which ultimately increases the amount of the LIFO charge in our income statement. For the three months ended June 30, 2007, our wholesale division incurred a \$0.3 million higher charge while retail health food incurred a \$0.1 million higher charge as compared to the same period in the prior year. Our core operations have continued to decrease operating expenses, maximize excise tax increases and take advantage of promotional opportunities."

Kathleen Evans, President of AMCON's wholesale division commented, "This quarter reflected well on the momentum we built at our trade show earlier this year. Market conditions remain competitive and we continue to emphasize our strong customer service as a competitive differentiation. Moreover, we are working closely with key vendors on several new promotions which we believe will enhance our customers' profitability."

"We believe the outlook for the natural foods category continues to be favorable" said Eric Hinfefent President of AMCON's retail health food subsidiary, "Our business model, which emphasizes high levels of customer service, is well received in the market. As such we are actively searching for opportunities to add new stores in our existing markets as well as to open new stores in selected new markets. We continue to invest in new equipment to enhance our customers' shopping experience."

AMCON is a leading wholesale distributor of consumer products, including beverages, candy, tobacco, groceries, food service, frozen and chilled foods, and health and beauty care products with distribution centers in Illinois, Missouri, Nebraska, North Dakota and South Dakota. Chamberlin's Natural Foods, Inc. and Health Food Associates, Inc., both wholly-owned subsidiaries of The Healthy Edge, Inc., operate health and natural product retail stores in central Florida (6), Kansas, Missouri, Nebraska and Oklahoma (4). The retail stores operate under the names Chamberlin's Market & Cafe and Akins Natural Foods Market.

This news release contains forward-looking statements that are subject to risks and uncertainties and which reflect management's current beliefs and estimates of future economic circumstances, industry conditions, Company performance and financial results. A number of factors could affect the future results of the Company and could cause those results to differ materially from those expressed in the Company's forward-looking statements

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including, without limitation, availability of sufficient cash resources to conduct its business and meet its capital expenditures needs. Moreover, past financial performance should not be considered a reliable indicator of future performance. Accordingly, the Company claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 with respect to all such forward-looking statements.

Visit AMCON Distributing Company's web site at: [www.amcon.com](http://www.amcon.com)

For Further Information Contact:

Christopher H. Atayan

AMCON Distributing Company

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## AMCON Distributing Company and Subsidiaries Condensed Consolidated Balance Sheets June 30, 2007 and September 30, 2006

	June 2007 (Unaudited)	Septemb 2006
<hr/>		
ASSETS		
Current assets:		
Cash	\$ 588,135	\$ 481,
Accounts receivable, less allowance for doubtful accounts of \$0.4 million and \$0.9 million, respectively	26,653,708	27,815,
Inventories, net	24,369,429	24,443,
Deferred income taxes	2,045,006	1,972,
Current assets of discontinued operations	3,435	1,172,
Prepaid and other current assets	6,371,027	5,369,
	<hr/>	<hr/>
Total current assets	60,030,740	61,254,
Property and equipment, net	11,521,419	12,528,
Goodwill	5,848,808	5,848,
Other intangible assets	3,410,003	3,439,
Deferred income taxes	5,386,739	6,772,
Noncurrent assets from discontinued operations	2,057,033	3,774,
Other assets	1,151,044	1,247,
	<hr/>	<hr/>
	\$ 89,405,786	\$ 94,866,
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		
Current liabilities:		
Accounts payable	\$ 12,323,037	\$ 14,633,
Accrued expenses	5,660,479	4,687,
Accrued wages, salaries and bonuses	1,470,837	1,879,
Income taxes payable	155,716	168,
Current liabilities of discontinued operations	7,703,401	7,461,
Current maturities of credit facility	3,346,000	3,896,
Current maturities of long-term debt	462,198	524,
	<hr/>	<hr/>
Total current liabilities	31,121,668	33,251,
	<hr/>	<hr/>
Credit facility, less current maturities	42,521,181	44,927,
Long-term debt, less current maturities	6,716,001	7,069,
Noncurrent liabilities of discontinued operations	2,807,000	5,087,
Series A cumulative, convertible preferred stock, \$.01 par value 100,000 shares outstanding, liquidation preference \$25.00 per share	2,438,355	2,438,
Series B cumulative, convertible preferred stock, \$.01 par value 80,000 shares outstanding, liquidation preference \$25.00 per share	1,857,645	1,857,
Series C cumulative, convertible preferred stock, \$.01 par value 80,000 shares outstanding, liquidation preference \$25.00 per share	1,982,372	1,982,
Commitments and contingencies		
Shareholders' equity (deficiency):		
Preferred stock, \$.01 par, 1,000,000 shares authorized, 260,000 shares outstanding and issued in Series A, B and C		

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referred to above	-	
Common stock, \$.01 par value, 3,000,000 shares authorized, 527,062 shares outstanding	5,271	5,
Additional paid-in capital	6,316,276	6,278,
Accumulated deficit	(6,359,983)	(8,030,
	-----	-----
Total shareholders' deficiency	(38,436)	(1,747,
	-----	-----
	\$ 89,405,786	\$ 94,866,
	=====	=====

AMCON Distributing Company and Subsidiaries  
Condensed Consolidated Unaudited Statements of Operations  
for the three and nine months ended June 30, 2007 and 2006

	For the three months ended June		For the nine months ended June	
	2007	2006	2007	2006
	-----	-----	-----	-----
Sales (including excise taxes of \$54.5 million and \$52.5 million, and \$152.5 million and \$147.7 million, respectively)	\$ 220,072,350	\$ 222,190,246	\$ 630,615,000	\$ 616,000,000
Cost of sales	203,519,915	206,587,430	584,654,778	571,000,000
Gross profit	16,552,435	15,602,816	45,960,222	44,999,999
Selling, general and administrative expenses	12,950,797	12,855,727	38,401,805	38,000,000
Depreciation and amortization	450,901	469,352	1,364,949	1,000,000
	13,401,698	13,325,079	39,766,754	39,000,000
Operating income	3,150,737	2,277,737	6,193,468	4,999,999
Other expense (income):				
Interest expense	1,174,440	1,215,463	3,682,951	3,000,000
Other (income), net	(79,636)	(44,424)	(144,816)	0
	1,094,804	1,171,039	3,538,135	3,000,000
Income from continuing operations before income tax expense	2,055,933	1,106,698	2,655,333	1,999,999
Income tax expense	809,000	434,000	1,047,000	0
Income from continuing operations	1,246,933	672,698	1,608,333	1,999,999
Discontinued operations				
Gain on disposal of discontinued operations, net of income tax expense of \$0.6 million	-	-	829,090	0
Loss from discontinued operations, net of income tax (benefit) of (\$0.1)				

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million and (\$0.2) million, and (\$0.2) million and (\$1.2) million, respectively	(131,740)	(326,447)	(453,432)	(2)
(Loss) income on discontinued operations	(131,740)	(326,447)	375,658	(2)
Net income (loss)	1,115,193	346,251	1,983,991	(1)
Preferred stock dividend requirements	(104,386)	(104,386)	(313,158)	
Net income (loss) available to common shareholders	\$ 1,010,807	\$ 241,865	\$ 1,670,833	\$ (1)
Basic earnings (loss) per share available to common shareholders:				
Continuing operations	\$ 2.17	\$ 1.08	\$ 2.46	\$
Discontinued operations	(0.25)	(0.62)	0.71	
Net basic earnings (loss) per share available to common shareholders	\$ 1.92	\$ 0.46	\$ 3.17	\$
Diluted earnings (loss) per share available to common shareholders:				
Continuing operations	\$ 1.44	\$ 0.79	\$ 1.87	\$
Discontinued operations	(0.15)	(0.38)	0.44	
Net diluted earnings (loss) per share available to common shareholders	\$ 1.29	\$ 0.41	\$ 2.31	\$
Weighted average shares outstanding:				
Basic	527,062	527,062	527,062	
Diluted	862,598	854,187	858,085	

AMCON Distributing Company and Subsidiaries  
Condensed Consolidated Unaudited Statements of Cash Flows  
for the nine months ended June 30, 2007 and 2006

	2007	2006
	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	\$ 1,983,991	\$ (1,340,4
Deduct: income (loss) from discontinued operations, net of tax	375,658	(2,143,1
Income from continuing operations	1,608,333	802,6
Adjustments to reconcile net income from continuing operations to net cash flows from operating activities:		
Depreciation	1,335,149	1,401,1
Amortization	29,800	29,7
(Gain) loss on sale of property and equipment	(16,667)	11,5
Stock based compensation	37,800	45,0
Deferred income taxes	1,314,170	(563,2
Provision (benefit) for losses on doubtful accounts	(93,192)	430,4
Provision for losses on inventory obsolescence	148,568	188,6
Changes in assets and liabilities:		
Accounts receivable	1,255,235	(2,784,9
Inventories	(74,934)	(6,743,5

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Prepaid and other current assets	(1,001,873)	345,1
Other assets	96,420	171,9
Accounts payable	(2,310,087)	(1,160,8
Accrued expenses and accrued wages, salaries and bonuses	563,828	(488,7
Income taxes payable and receivable	(13,220)	(118,7
	-----	-----
Net cash flows from operating activities - continuing operations	2,879,330	(8,433,7
Net cash flows from operating activities - discontinued operations	(1,951,797)	(806,9
	-----	-----
Net cash flows from operating activities	927,533	(9,240,7
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(345,637)	(595,4
Proceeds from sales of property and equipment	34,275	34,1
Purchase of trademark	-	(15,0
	-----	-----
Net cash flows from investing activities - continuing operations	(311,362)	(576,2
Net cash flows from investing activities - discontinued operations	3,965,394	(
	-----	-----
Net cash flows from investing activities	3,654,032	(576,3
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net principal (payments) borrowings on bank credit agreements	(2,956,248)	7,538,0
Net proceeds from preferred stock issuance	-	1,982,3
Proceeds from borrowings of long-term debt	-	109,8
Dividends paid on preferred stock	(313,158)	(260,4
Principal payments on long-term debt	(415,288)	(499,3
	-----	-----
Net cash flows from financing activities - continuing operations	(3,684,694)	8,870,3
Net cash flows from financing activities - discontinued operations	(789,874)	484,5
	-----	-----
Net cash flows from financing activities	(4,474,568)	9,354,8
	-----	-----
Net change in cash	106,997	(462,2
Cash, beginning of period	481,138	546,2
	-----	-----
Cash, end of period	\$ 588,135	\$ 84,0
	=====	=====
Supplemental disclosure of cash flow information:		
Cash paid during the period for interest	\$ 3,729,280	\$ 3,488,1
Cash paid (refunded) during the period for income taxes	99,050	(1,5
Supplemental disclosure of non-cash information:		
Buyer's assumption of HNWC lease in connection with the sale of HNWC's assets - discontinued operations	225,502	
Issuance of note payable in exchange for accounts payable - discontinued operations	-	362,7

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