

Edgar Filing: TIFFANY & CO - Form 10-Q

TIFFANY & CO
Form 10-Q
May 27, 2015
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 April 30, 2015

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: 1-9494

TIFFANY & CO.

(Exact name of registrant as specified in its charter)

Delaware

(State of incorporation)

13-3228013

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

727 Fifth Avenue, New York, NY

(Address of principal executive offices)

10022

(Zip Code)

Registrant's telephone number, including area code: (212) 755-8000

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 ☐ (Do not check if a smaller reporting company)

Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

APPLICABLE ONLY TO CORPORATE ISSUERS: Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date: Common Stock, \$.01 par value, 129,158,525 shares outstanding at the close of business on April 30, 2015.

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PART I. Financial Information

Item 1. Financial Statements

TIFFANY & CO. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited)

(in millions, except per share amounts)

	April 30, 2015	January 31, 2015	April 30, 2014
ASSETS			
Current assets:			
Cash and cash equivalents	\$675.8	\$730.0	\$359.3
Short-term investments	39.6	1.5	21.9
Accounts receivable, less allowances of \$10.0, \$10.6 and \$9.9	192.5	195.2	194.6
Inventories, net	2,363.0	2,362.1	2,418.4
Deferred income taxes	101.5	102.6	102.3
Prepaid expenses and other current assets	207.6	220.0	236.8
Total current assets	3,580.0	3,611.4	3,333.3
Property, plant and equipment, net	897.0	899.5	848.4
Deferred income taxes	323.6	323.4	260.1
Other assets, net	349.4	346.3	383.7
	\$5,150.0	\$5,180.6	\$4,825.5
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Short-term borrowings	\$197.1	\$234.0	\$241.0
Accounts payable and accrued liabilities	271.4	318.0	306.1
Income taxes payable	44.6	39.9	26.1
Merchandise and other customer credits	72.2	66.1	67.5
Total current liabilities	585.3	658.0	640.7
Long-term debt	882.1	882.5	750.8
Pension/postretirement benefit obligations	532.2	524.2	273.7
Deferred gains on sale-leasebacks	62.8	64.5	80.2
Other long-term liabilities	201.3	200.7	219.5
Commitments and contingencies			
Stockholders' equity:			
Preferred Stock, \$0.01 par value; authorized 2.0 shares, none issued and outstanding	—	—	—
Common Stock, \$0.01 par value; authorized 240.0 shares, issued and outstanding 129.2, 129.3 and 129.0	1.3	1.3	1.3
Additional paid-in capital	1,178.1	1,173.6	1,128.4
Retained earnings	1,976.2	1,950.7	1,757.7
Accumulated other comprehensive loss, net of tax	(285.5	) (290.5	) (42.1
Total Tiffany & Co. stockholders' equity	2,870.1	2,835.1	2,845.3
Non-controlling interests	16.2	15.6	15.3
Total stockholders' equity	2,886.3	2,850.7	2,860.6
	\$5,150.0	\$5,180.6	\$4,825.5

See notes to condensed consolidated financial statements.

TIFFANY & CO.

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TIFFANY & CO. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

(Unaudited)

(in millions, except per share amounts)

	Three Months Ended April 30,	
	2015	2014
Net sales	\$962.4	\$1,012.1
Cost of sales	393.4	422.6
Gross profit	569.0	589.5
Selling, general and administrative expenses	399.0	379.7
Earnings from operations	170.0	209.8
Interest and other expenses, net	9.3	16.3
Earnings from operations before income taxes	160.7	193.5
Provision for income taxes	55.8	67.9
Net earnings	\$104.9	