

PLEXUS CORP
Form 10-Q
February 02, 2018
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

ý Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended December 30, 2017
OR

..
Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
Commission File Number 001-14423

PLEXUS CORP.
(Exact name of registrant as specified in charter)

Wisconsin 39-1344447
(State of Incorporation) (IRS Employer Identification No.)
One Plexus Way
Neenah, Wisconsin 54957
(Address of principal executive offices)(Zip Code)
Telephone Number (920) 969-6000
(Registrant's 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 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 ý 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 ý No ..

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	Accelerated filer	Non-accelerated filer	..	Smaller reporting company	Emerging growth company
ý

(Do not check if a smaller reporting company)

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ..

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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 January 30, 2018, there were 33,689,319 shares of Common Stock of the Company outstanding.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

PLEXUS CORP. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME

(in thousands, except per share data)

Unaudited

	Three Months Ended	
	December 31,	December 31,
	2017	2016
Net sales	\$677,294	\$ 635,019
Cost of sales	613,771	570,663
Gross profit	63,523	64,356
Selling and administrative expenses	31,966	30,453
Operating income	31,557	33,903
Other income (expense):		
Interest expense	(3,725)	(3,274)
Interest income	1,555	1,071
Miscellaneous	(346)	(674)
Income before income taxes	29,041	31,026
Income tax expense	127,534	2,847
Net (loss) income	\$(98,493)	\$ 28,179
(Loss) earnings per share:		
Basic	\$(2.93)	\$ 0.84
Diluted	\$(2.93)	\$ 0.82
Weighted average shares outstanding:		
Basic	33,567	33,534
Diluted	33,567	34,544
Comprehensive (loss) income:		
Net (loss) income	\$(98,493)	\$ 28,179
Other comprehensive income (loss):		
Derivative instrument fair value adjustment	1,539	(5,403)
Foreign currency translation adjustments	2,142	(11,359)
Other comprehensive income (loss)	3,681	(16,762)
Total comprehensive (loss) income	\$(94,812)	\$ 11,417

The accompanying notes are an integral part of these condensed consolidated financial statements.

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PLEXUS CORP. AND SUBSIDIARIES
 CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands, except per share data)

Unaudited

	December 30, 2017	September 30, 2017
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 506,694	\$ 568,860
Restricted cash	8,157	394
Accounts receivable, net of allowances of \$1,049 and \$980, respectively	334,776	365,513
Inventories	669,894	654,642
Prepaid expenses and other	31,362	28,046
Total current assets	1,550,883	1,617,455
Property, plant and equipment, net	318,358	314,665
Deferred income tax assets	5,302	5,292
Other	41,664	38,770
Total non-current assets	365,324	358,727
Total assets	\$ 1,916,207	\$ 1,976,182
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt and capital lease obligations	\$ 179,881	\$ 286,934
Accounts payable	420,984	413,999
Customer deposits	102,823	107,837
Accrued salaries and wages	52,483	49,376
Other accrued liabilities	61,006	49,445
Total current liabilities	817,177	907,591
Long-term debt and capital lease obligations, net of current portion	26,047	26,173
Long-term accrued income taxes payable	99,897	—
Deferred income tax liabilities	21,906	—
Other liabilities	17,331	16,479
Total non-current liabilities	165,181	42,652
Total liabilities	982,358	950,243
Commitments and contingencies		
Shareholders' equity:		
Preferred stock, \$.01 par value, 5,000 shares authorized, none issued or outstanding	—	—
Common stock, \$.01 par value, 200,000 shares authorized, 52,231 and 51,934 shares issued, respectively, and 33,607 and 33,464 shares outstanding, respectively	522	519