

CASEYS GENERAL STORES INC

Form 10-Q

December 08, 2011

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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

Quarterly Report Under Section 13 or 15(d) of the Securities Exchange Act of 1934

For the Fiscal Quarter Ended October 31, 2011

Commission File Number 0-34700

CASEY S GENERAL STORES, INC.

(Exact name of registrant as specified in its charter)

IOWA
(State or other jurisdiction of
incorporation or organization)

42-0935283
(I.R.S. Employer
Identification Number)

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ONE CONVENIENCE BOULEVARD,

ANKENY, IOWA
(Address of principal executive offices)

50021
(Zip Code)

(515) 965-6100

(Registrant's telephone number, including area code)

NONE

(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 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, 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

Indicated 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.

Class	Outstanding at December 2, 2011
Common stock, no par value per share	38,061,659 shares

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	October 31, 2011	April 30, 2011
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 86,200	59,572
Receivables	19,752	20,154
Inventories	159,868	159,200
Prepaid expenses	2,007	1,180
Deferred income taxes	11,393	10,405
Income tax receivable		43,376
Total current assets	279,220	293,887
Other assets, net of amortization	11,801	11,721
Goodwill	104,386	88,042
Property and equipment, net of accumulated depreciation of \$818,012 at October 31, 2011 and of \$777,342 at April 30, 2011	1,302,983	1,217,305
Total assets	\$ 1,698,390	1,610,955

See notes to unaudited condensed consolidated financial statements.

Table of Contents**CASEY S GENERAL STORES, INC. AND SUBSIDIARIES****CONDENSED CONSOLIDATED BALANCE SHEETS***(Unaudited)**(Continued)**(DOLLARS IN THOUSANDS)*

	October 31, 2011	April 30, 2011
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Notes payable to bank	\$	600
Current maturities of long-term debt	5,845	1,167
Accounts payable	203,185	215,675
Accrued expenses	78,523	77,058
Income taxes payable	1,236	
Total current liabilities	288,789	294,500
Long-term debt, net of current maturities	673,466	678,680
Deferred income taxes	230,206	203,078
Deferred compensation	13,715	13,858
Other long-term liabilities	19,156	16,943
Total liabilities	1,225,332	1,207,059
Shareholders' equity:		
Preferred stock, no par value		
Common stock, no par value	7,550	3,996
Retained earnings	465,508	399,900
Total shareholders' equity	473,058	403,896
	\$ 1,698,390	1,610,955

See notes to unaudited condensed consolidated financial statements.

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CASEY S GENERAL STORES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

(Unaudited)

(DOLLARS IN THOUSANDS, EXCEPT SHARE AND PER SHARE AMOUNTS)

	Three months ended October 31, 2011	2010	Six months ended October 31, 2011	2010
Total revenue	\$ 1,782,518	1,349,519	3,656,350	2,711,546
Cost of goods sold (exclusive of depreciation and amortization, shown separately below)	1,519,600	1,122,142	3,126,650	2,250,198
Gross profit	262,918	227,377	529,700	461,348
Operating expenses	171,832	153,263	343,248	305,649
Depreciation and amortization	23,432	20,041	46,327	39,604
Interest, net	8,777	8,195	17,711	10,722
Loss on early retirement of debt		11,350		11,350
Earnings before income taxes	58,877	34,528	122,414	94,023
Federal and state income taxes	21,245	12,836	45,391	35,045
Net earnings	\$ 37,632	21,692	77,023	58,978
Earnings per common share				
Basic	\$.99	.51	2.02	1.27
Diluted	\$.98	.51	2.01	1.26
Basic weighted average shares outstanding	38,055,909	42,283,525	38,040,142	46,622,176
Plus effect of stock options	342,934	287,678	328,239	263,899
Diluted weighted average shares outstanding	38,398,843	42,571,203	38,368,381	46,886,075

See notes to unaudited condensed consolidated financial statements.

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CASEY S GENERAL STORES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

(DOLLARS IN THOUSANDS)

	Six months ended October 31,	
	2011	2010
Cash flows from operations:		
Net earnings	\$ 77,023	58,978
Adjustments to reconcile net earnings to net cash provided by operations:		
Depreciation and amortization	46,327	39,604
Other amortization	389	275
Stock based compensation	1,521	1,057
Loss on sale and disposal of property and equipment	848	111
Deferred income taxes	26,140	15,651
Excess tax benefits related to stock option exercises	(392)	(490)
Loss on early retirement of debt		11,350
Changes in assets and liabilities:		
Receivables	402	(3,218)
Inventories	2,200	3,365
Prepaid expenses	(827)	(610)
Accounts payable	(12,490)	28,898
Accrued expenses	1,194	9,068
Income taxes	46,649	1,602
Other, net	(82)	(18)
Net cash provided by operations	188,902	165,623
Cash flows from investing:		
Purchase of property and equipment	(114,262)	(87,888)
Payments for acquisition of stores, net of cash acquired	(37,726)	(27,354)
Proceeds from sale of property and equipment	425	780
Net cash used in investing activities	(151,563)	(114,462)
Cash flows from financing:		
Proceeds from long-term debt		569,000
Payments of long-term debt	(728)	(64,586)
Net borrowing of short-term debt	(600)	
Proceeds from exercise of stock options	1,641	3,120
Payments of cash dividends	(11,416)	(10,218)
Repurchase of common stock		(501,026)
Payments of prepayment penalties		(11,350)
Excess tax benefits related to stock option exercises	392	490
Net cash used in financing activities	(10,711)	(14,570)

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CASEY S GENERAL STORES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

(Continued)

(DOLLARS IN THOUSANDS)

	Six months ended October 31,	
	2011	2010
Net increase in cash and cash equivalents		