

TELEFLEX INC
Form 10-Q
October 27, 2016
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 September 25, 2016

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 1-5353

TELEFLEX INCORPORATED
(Exact name of registrant as specified in its charter)

Delaware 23-1147939
(State or other jurisdiction of (I.R.S. employer
incorporation or organization) identification no.)

550 E. Swedesford Rd., Suite 400, Wayne, PA 19087
(Address of principal executive offices) (Zip Code)
(610) 225-6800

(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, 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 Exchange Act). Yes No

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The registrant had 44,053,239 shares of common stock, par value \$1.00 per share, outstanding as of October 24, 2016.

TELEFLEX INCORPORATED
 QUARTERLY REPORT ON FORM 10-Q
 FOR THE QUARTER ENDED SEPTEMBER 25, 2016
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PART I — FINANCIAL INFORMATION

Item 1. Financial Statements

TELEFLEX INCORPORATED

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

	Three Months Ended		Nine Months Ended	
	September	September	September	September
	25, 2016	27, 2015	25, 2016	27, 2015
	(Dollars and shares in thousands, except per share)			
Net revenues	\$455,648	\$443,714	\$1,354,094	\$1,325,189
Cost of goods sold	214,046	215,501	630,946	641,102
Gross profit	241,602	228,213	723,148	684,087
Selling, general and administrative expenses	139,797	138,840	419,128	420,765
Research and development expenses	15,067	12,571	42,892	38,898
Restructuring charges	3,027	660	12,876	5,688
Gain on sale of assets	(2,776)	(408)	(4,173)	(408)
Income from continuing operations before interest, extinguishment of debt and taxes	86,487	76,550	252,425	219,144
Interest expense	12,888	14,306	38,579	47,685
Interest income	(115)	(130)	(324)	(453)
Loss on extinguishment of debt	—	—	19,261	10,454
Income from continuing operations before taxes	73,714	62,374	194,909	161,458
Taxes on income from continuing operations	7,514	803	18,134	15,415
Income from continuing operations	66,200	61,571	176,775	146,043
Operating income (loss) from discontinued operations	260	(788)	(116)	(1,432)
(Benefit) taxes on income (loss) from discontinued operations	138	(69)	(119)	180
Income (loss) from discontinued operations	122	(719)	3	(1,612)
Net income	66,322	60,852	176,778	144,431
Less: Income from continuing operations attributable to noncontrolling interest	—	28	464	692
Net income attributable to common shareholders	\$66,322	\$60,824	\$176,314	\$143,739
Earnings per share available to common shareholders:				
Basic:				
Income from continuing operations	\$1.50	\$1.48	\$4.09	\$3.50
Income (loss) from discontinued operations	0.01	(0.02)	—	(0.04)
Net income	\$1.51	\$1.46		