

INTERTAPE POLYMER GROUP INC

Form 6-K

November 14, 2016

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**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 6-K**

**Report of Foreign Private Issuer**

**Pursuant to Rule 13a-16 or 15d-16**

**of the Securities Exchange Act of 1934**

**For the month of November, 2016**

**Commission File Number 1-10928**

**INTERTAPE POLYMER GROUP INC.**

**9999 Cavendish Blvd., Suite 200,**

**Ville St. Laurent, Quebec, Canada, H4M 2X5**

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Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F

Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): \_\_\_\_\_

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): \_\_\_\_\_

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**SIGNATURES**

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

INTERTAPE POLYMER GROUP INC.

Date: November 11, 2016

By: /s/ Jeffrey Crystal  
Jeffrey Crystal, Chief Financial Officer

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**Intertape Polymer Group Inc.**  
**Interim Condensed Consolidated Financial Statements**  
**September 30, 2016**

Unaudited Interim Condensed Consolidated Financial Statements

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**Table of Contents****Intertape Polymer Group Inc.****Consolidated Earnings**

Periods ended September 30,

(In thousands of US dollars, except per share amounts)

(Unaudited)

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2016	2015	2016	2015
	\$	\$	\$	\$
Revenue	<b>206,559</b>	200,635	<b>598,892</b>	586,230
Cost of sales	<b>161,705</b>	157,838	<b>461,140</b>	464,010
Gross profit	<b>44,854</b>	42,797	<b>137,752</b>	122,220
Selling, general and administrative expenses	<b>27,338</b>	17,927	<b>77,004</b>	58,307
Research expenses	<b>2,287</b>	2,499	<b>7,563</b>	6,706
	<b>29,625</b>	20,426	<b>84,567</b>	65,013
Operating profit before manufacturing facility closures, restructuring and other related charges	<b>15,229</b>	22,371	<b>53,185</b>	57,207
Manufacturing facility closures, restructuring and other related charges (Note 4)	<b>6,329</b>	181	<b>10,152</b>	983
Operating profit	<b>8,900</b>	22,190	<b>43,033</b>	56,224
Finance costs (income) (Note 3)				
Interest	<b>1,158</b>	919	<b>3,162</b>	2,517
Other expense (income), net	<b>270</b>	(651)	<b>590</b>	(897)
	<b>1,428</b>	268	<b>3,752</b>	1,620
Earnings before income tax expense	<b>7,472</b>	21,922	<b>39,281</b>	54,604
Income tax expense (Note 5)				
Current	<b>30</b>	3,281	<b>5,303</b>	5,593
Deferred	<b>1,192</b>	2,987	<b>4,540</b>	9,831
	<b>1,222</b>	6,268	<b>9,843</b>	15,424
Net earnings	<b>6,250</b>	15,654	<b>29,438</b>	39,180

Earnings per share (Note 6)				
Basic	<b>0.11</b>	0.26	<b>0.50</b>	0.65
Diluted	<b>0.10</b>	0.26	<b>0.49</b>	0.64

The accompanying notes are an integral part of the interim condensed consolidated financial statements. Note 3 presents additional information on consolidated earnings.

**Table of Contents****Intertape Polymer Group Inc.****Consolidated Comprehensive Income**

Periods ended September 30,

(In thousands of US dollars)

(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2016	2015	2016	2015
	\$	\$	\$	\$
Net earnings	<b>6,250</b>	15,654	<b>29,438</b>	39,180
Other comprehensive income (loss)				
Change in fair value of interest rate swap agreements designated as cash flow hedges (net of the change in the deferred income tax expense of \$237 and income tax benefit of \$383 for the three and nine months ended September 30, 2016, respectively, and change in the deferred income tax benefit of \$461 and of \$563 for the three and nine months ended September 30, 2015, respectively).	<b>388</b>	(752)	<b>(625)</b>	(918)
Change in cumulative translation adjustments	<b>(235)</b>	(5,058)	<b>3,846</b>	(10,461)
Items that will be subsequently reclassified to net earnings	<b>153</b>	(5,810)	<b>3,221</b>	(11,379)
Comprehensive income for the period	<b>6,403</b>	9,844	<b>32,659</b>	27,801

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

**Table of Contents****Intertape Polymer Group Inc.****Consolidated Changes in Equity**

Nine months ended September 30, 2015

(In thousands of US dollars, except for number of common shares)

(Unaudited)

	Capital stock		Accumulated other comprehensive loss			Total	Deficit	Total equity attributable to the Company's shareholders
	Number	Amount	Contributed surplus	Cumulative translation adjustment	Reserve for cash flow hedge			
		\$	\$	\$	\$	\$	\$	\$
Balance as of December 31, 2014	60,435,826	357,840	24,493	(8,113)		(8,113)	(146,720)	227,500
<b>Transactions with owners</b>								
Exercise of stock options (Note 6)	596,250	1,253						1,253
Excess tax benefit on exercised stock options		1,852	(1,852)					
Excess tax benefit on outstanding stock awards			(2,722)					(2,722)
Stock-based compensation expense (Note 6)			2,685					2,685
Stock-based compensation expense credited to capital on options exercised (Note 6)		615	(615)					
Deferred Share Units settlement,	6,397	65	(218)					(153)



net of required minimum tax withholding (Note 6)								
Repurchases of common shares (Note 6)	(2,120,588)	(16,028)				(9,941)		(25,969)
Dividends on common shares (Note 6)						(22,117)		(22,117)
	(1,517,941)	(12,243)	(2,722)			(32,058)		(47,023)
Net earnings						39,180		39,180
Other comprehensive loss								
Change in fair value of interest rate swap agreement designated as a cash flow hedge (net of the change in deferred income tax benefit of \$563) (Note 7)					(918)	(918)		(918)
Change in cumulative translation adjustments				(10,461)		(10,461)		(10,461)
				(10,461)	(918)	(11,379)		(11,379)
Comprehensive income for the period				(10,461)	(918)	(11,379)	39,180	27,801
<b>Balance as of September 30, 2015</b>	58,917,885	345,597	21,771	(18,574)	(918)	(19,492)	(139,598)	208,278

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

**Table of Contents****Intertape Polymer Group Inc.****Consolidated Changes in Equity**

Nine months ended September 30, 2016

(In thousands of US dollars, except for number of common shares)

(Unaudited)

	Capital stock		Accumulated other comprehensive loss			Total	Deficit	Total equity attributable to the Non-Controlling shareholder interest		Total equity
	Number	Amount	Contributed surplus	Cumulative adjustment account	Reserve for cash flow hedge			Company	Controlling	
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance as of December 31, 2015	58,667,535	347,325	23,298	(20,407)	(272)	(20,679)	(133,216)	216,728		216,728
<b>Transactions with owners</b>										
Exercise of stock options (Note 6)	125,000	822						822		822
Excess tax benefit on exercised stock options		195	(195)							
Excess tax benefit on outstanding stock awards			2,773					2,773		2,773
Stock-based compensation expense (Note 6)			4,119					4,119		4,119
Stock-based compensation expense credited to		259	(259)							

capital on options exercised (Note 6)					
Repurchases of common shares (Note 6)	(147,200)	(862)	(835)	(1,697)	(1,697)
Dividends on common shares (Note 6)			(23,424)	(23,424)	(23,424)