
Section 1: 8-K (8-K)

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 9, 2017



Vista Outdoor Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

1-36597

(Commission
File Number)

47-1016855

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

**262 N University Drive
Farmington, UT**

(Address of principal executive offices)

84025

(Zip Code)

Registrant's telephone number, including area code: **(801) 447-3000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition

On February 9, 2017, Vista Outdoor Inc. (Vista Outdoor) issued a press release reporting its financial results for the fiscal quarter and nine months ended January 1, 2017. A copy of the press release is furnished as Exhibit 99.1 to this report and incorporated herein by reference.

Note: Information in this report (including the exhibit) furnished pursuant to Item 2.02 of Form 8-K shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

| Exhibit No. | Description |
|------------------------|--|
| 99.1 | Press release, dated February 9, 2017, reporting Vista Outdoor’s financial results for the fiscal quarter and nine months ended January 1, 2017. |

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 hereunto duly authorized.

VISTA OUTDOOR INC.

By: /s/ Stephen M. Nolan
Name: Stephen M. Nolan
Title: Senior Vice President and Chief Financial Officer

Date: February 9, 2017

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Section 2: EX-99.1 (EXHIBIT 99.1)

Exhibit 99.1



Corporate Communications
262 N. University Dr.
Farmington, UT 84025

Phone: 801-447-3000

News Release

For Immediate Release

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Vista Outdoor Announces FY17 Third Quarter Operating Results

Vista Outdoor EPS Includes Non-Cash Intangible Impairment Charge

Vista Outdoor Updates FY17 Financial Guidance

Farmington, Utah, February 9, 2017 — Vista Outdoor Inc. (NYSE: VSTO) today reported operating results for the third quarter of its Fiscal Year 2017 (FY17), which ended on January 1, 2017.

"Vista Outdoor is committed to delivering long-term growth through the execution of our strategy and a focus on new product development, operational efficiencies and execution excellence," said Vista Outdoor Chairman and Chief Executive Officer Mark DeYoung. "The challenging retail environment we experienced in our first and second quarters worsened in our third quarter following a slow hunting season and the national elections. This resulted in the need for increased promotional activity to support sales and maintain market share. We have also seen increased inventory in our retail and wholesale channels. As a result of these market factors, we announced a non-cash intangible impairment charge. Although we are disappointed in the impairment within the Hunting and Shooting Accessories reporting unit, we continue to drive improvements in our execution and innovation in our product lines. The company launched more than 150 new products during the winter show season. We have created market leading positions in numerous outdoor product categories, and we are committed to delivering long-term value from our

portfolio of top brands."

For the third quarter ended January 1, 2017:

- Sales were \$654 million, up 10 percent from the prior-year quarter, including \$92 million from the recent acquisitions. Sales were down 5 percent on an organic basis.
- Gross profit was \$169 million, relatively flat to the prior-year quarter. This includes \$24 million of gross profit from the recent acquisitions, offset by a 14 percent decrease in organic gross profit.
- Operating expenses were \$553 million, compared to \$92 million in the prior-year quarter. The increase primarily reflects a pre-tax, non-cash goodwill and intangible impairment charge of \$449 million. The increase in operating expenses also reflects additional expenses generated by the acquired businesses. These increases were partially offset by reductions due to lower incentive accruals as a result of current-year performance, and cost cutting initiatives.
- The tax rate for the quarter was 4.4 percent compared to 36.0 percent in the prior-year quarter. The difference in the current-year rate was primarily caused by the non-deductible treatment of the goodwill impairment charge noted above. The adjusted tax rates were 33.6 percent in the third quarter and 36.0 percent in the prior-year quarter.
- Fully diluted earnings per share (EPS) was \$(6.44), compared to \$0.70 in the prior-year quarter. Adjusted EPS was \$0.62, compared to \$0.70 in the prior-year quarter.
- Cash flow provided by operating activities was \$58 million compared to \$71 million in the prior-year period. Year-to-date free cash flow use was \$18 million, compared to free cash flow generation of \$51 million in the prior-year period.
- The company repurchased approximately 1,560,000 shares for \$60 million. On January 23, 2017, Vista Outdoor completed its \$100 million share repurchase program. The total number of shares repurchased under this plan was approximately 2,737,000.

"The acceleration of current market challenges has led the company to update FY17 financial guidance," said Vista Outdoor Chief Financial Officer Stephen Nolan. "For the full year, we expect gross margins to be roughly in line with the third quarter results. While we will release formal guidance for FY18 during our May earnings call, we do expect the revenue and margin pressures we are experiencing in the back half of FY17 to continue into next year. Despite the pressures this year and next, the company is committed to a value-creating capital deployment strategy, long-term sales growth and margin improvement, and delivering long-term value to our shareholders."

Updated Outlook for Fiscal Year 2017

Vista Outdoor updates FY17 financial guidance:

- Sales in a range of \$2.50 billion to \$2.54 billion.
- Interest expense of approximately \$45 million.
- Tax rate of approximately (12) percent, with an adjusted tax rate of approximately 35 percent.
- EPS in a range of \$(4.57) to \$(4.42), with adjusted EPS in a range of \$1.95 to \$2.10.
- Capital expenditures of approximately \$90 million.
- Free cash flow in a range of \$25 million to \$40 million.

The updated guidance above includes the previously announced Camp Chef acquisition but does not include the impact of the goodwill and intangible impairment that was recorded in the third quarter, any future strategic acquisitions, divestitures, investments, business combinations or other significant transactions, nor the impact of contingent consideration revaluation, transition expenses, the acquisition legal claim settlement or inventory step-ups for already-completed acquisitions.

Please see the tables below for a reconciliation of non-GAAP adjusted EPS, operating profit and free cash flow to the comparable GAAP measures.

Earnings Conference Call Webcast Information

Vista Outdoor will hold an investor conference call to discuss its third quarter FY17 financial results on February 9, 2017, at 9 a.m. Eastern Time. The conference call will be accessible through live webcast. Interested investors and other individuals can access the webcast and view and/or download the earnings press release, including a reconciliation of non-GAAP financial measures, and the related earnings release presentation slides, which will also include detailed segment information, via Vista Outdoor's website (www.vistaoutdoor.com). Choose "Investors" then "Events and Presentations." For those who cannot participate in the live webcast, a telephone recording of the conference call will be available for one month after the call. The telephone number for the recorded call is 719-457-0820, and the confirmation code is 1276869.

Reconciliation of Non-GAAP Financial Measures

Gross Profit, Operating Profit and Earnings Per Share

The adjusted gross profit, adjusted operating expenses, operating profit (adjusted EBIT), adjusted tax rate, adjusted net income, and adjusted earnings per share (adjusted EPS) presented above are non-GAAP financial measures that Vista Outdoor defines as gross profit, operating expenses, operating profit (EBIT), tax rate, net income, and EPS excluding, where applicable, the impact of a non-cash goodwill and intangible asset impairment, changes in value of future payments of contingent consideration, costs incurred in the period for completed and potential transactions, transition costs for the Action Sports acquisition, and acquisition inventory step-up. As these transactions impact a variety of financial measures Vista Outdoor management is presenting each of these measures so a reader may compare gross profit, operating expenses, EBIT, tax rate, net income and EPS excluding these items, as the measures provide investors with an important perspective on the operating results of the company. Vista Outdoor management uses these measurements internally to assess business performance, and Vista Outdoor's definition may differ from those used by other companies.

| Vista Outdoor | | | | | | | |
|---------------------------------------|---------------------|---------------------------|-------------------------|-------------------|------------------------|--------------------------|------------|
| Quarter ended January 1, 2017: | | | | | | | |
| <i>(in thousands)</i> | | | | | | | |
| | <u>Gross Profit</u> | <u>Operating Expenses</u> | <u>Operating Profit</u> | <u>Income Tax</u> | <u>Income Tax Rate</u> | <u>Net Income (Loss)</u> | <u>EPS</u> |
| As reported | \$ 168,606 | \$ 553,262 | \$ (384,656) | \$ (17,548) | 4.4% | \$ (377,659) | \$ (6.44) |
| Goodwill and intangibles impairment | — | (449,199) | 449,199 | 35,670 | | 413,529 | 7.05 |
| Contingent consideration | — | (843) | 843 | 320 | | 523 | 0.01 |
| Transaction and transition costs | — | (16) | 16 | 6 | | 10 | — |
| As adjusted | \$ 168,606 | \$ 103,204 | \$ 65,402 | \$ 18,448 | 33.6% | \$ 36,403 | \$ 0.62 |
| Quarter ended January 3, 2016: | | | | | | | |
| <i>(in thousands)</i> | | | | | | | |
| | <u>Gross Profit</u> | <u>Operating Expenses</u> | <u>Operating Profit</u> | <u>Income Tax</u> | <u>Income Tax Rate</u> | <u>Net Income</u> | <u>EPS</u> |
| As reported | \$ 167,504 | \$ 92,272 | \$ 75,232 | \$ 24,297 | 36.0% | \$ 43,159 | \$ 0.70 |
| Transaction costs | — | (265) | 265 | 101 | | 164 | — |
| Inventory step-up | 505 | — | 505 | 192 | | 313 | — |
| As adjusted | \$ 168,009 | \$ 92,007 | \$ 76,002 | \$ 24,590 | 36.0% | \$ 43,636 | \$ 0.70 |

Outdoor Products

Quarter ended January 3, 2016:

(in thousands)

| | <u>Gross Profit</u> |
|-------------------|---------------------|
| As reported | \$ 63,607 |
| Inventory step-up | 505 |
| As adjusted | \$ 64,112 |

***NOTE:** Adjustments to "as reported" results are items that are excluded to arrive at the "as adjusted" results for the quarters ended January 1, 2017 and January 3, 2016.

A challenging retail environment and other market pressures resulted in deeper discounting of Vista Outdoor's accessories products during the quarter ending January 1, 2017. The deeper discounting caused a reduction in the projected cash flows of the Hunting and Shooting Accessories reporting unit. Given this drop in projected cash flows and a continued challenging retail environment, we determined a triggering event had occurred requiring an evaluation of goodwill. Upon completion of the analysis an impairment of goodwill and identifiable intangible assets was determined to be necessary. Given the non-cash and unusual and infrequent nature of this intangible asset impairment we do not believe these costs are indicative of operations of the company. The tax effect of the goodwill and intangible impairment charge was determined based on the fact that the goodwill impairment charge of \$354 million is non-deductible for tax purposes and the remaining intangible asset impairment of \$95 million was deductible at a rate of approximately 37.5%.

During the quarter ended January 1, 2017, Vista Outdoor incurred transaction and transition costs associated with the completed acquisitions of Action Sports and Camp Chef as well as other possible transactions, including advisory, legal and accounting service fees. Transition costs for the Action Sports business include one-time costs related to the integration of the business into the company including vendor change fees, insurance-related expenses, and severance costs. Given the nature of transaction and transition costs, and differences in these amounts from one acquisition to another, we feel these costs are not indicative of operations of the company. The tax effect of the transaction and transition costs was calculated based on a blended statutory rate of 38%.

During the quarter ended January 1, 2017, Vista Outdoor recorded a portion of the \$10 million of compensation for Camp Chef earn-out, which will be paid over the next three years, subject to continued Camp Chef leadership employment and the achievement of certain incremental profitability growth milestones. Given this balance is related to the purchase price of the company and is not normal compensation of the employees and will not be a continuing cost, we do not believe these costs are indicative of operations of the company. The tax effect of the transaction and transition costs was calculated based on a blended statutory rate of 38%.

For the quarter ended January 3, 2016, Vista Outdoor incurred transaction costs for potential transactions including advisory, legal and accounting service fees. Given the nature of transaction and transition costs and differences in these amounts from one acquisition to another, we feel these costs are not indicative of operations of the company. The tax effect of the transaction and transition costs was calculated based on a blended statutory rate of 38%.

For the quarter ended January 3, 2016, as a result of the acquisitions of CamelBak and Jimmy Styks, Vista Outdoor recorded a step-up in the inventory balances, which is the purchase accounting fair value adjustment. The inventory step-up will be expensed to the income statement over the first inventory cycle. Given the nature of transaction and transition costs and differences in these amounts from one acquisition to another, we feel these costs are not indicative of operations of the company. The tax effect of the transaction and transition costs was calculated based on a blended statutory rate of 38%.

Free Cash Flow

Free cash flow is defined as cash provided by operating activities less capital expenditures and excluding an acquisition claim settlement, and transaction and transition costs net of taxes incurred to date. Vista Outdoor management believes free cash flow provides investors with an important perspective on the cash available for debt repayment, share repurchases and acquisitions after making the capital investments required to support ongoing business operations. Vista Outdoor management uses free cash flow internally to assess both business performance and overall liquidity.

| (in thousands) | Nine months ended January 1, 2017 | Nine months ended January 3, 2016 | Projected year ending March 31, 2017 |
|---|--------------------------------------|--------------------------------------|---|
| Cash provided by operating activities | \$ 57,891 | \$ 71,288 | \$141,357–\$156,357 |
| Capital expenditures | (49,302) | (26,301) | ~(90,000) |
| Acquisition claim settlement gain, net | (30,027) | — | (30,027) |
| Transaction and transition costs paid to date, net of tax | 3,670 | 5,663 | 3,670 |
| Free cash flow | <u>\$ (17,768)</u> | <u>\$ 50,650</u> | <u>\$25,000–\$40,000</u> |

Adjusted Earnings Per Share - Guidance Reconciliation Table

The projected adjusted earnings per share (EPS), excluding the impact of a goodwill and intangible impairment, a gain due to an acquisition claim settlement, costs incurred for completed and potential transactions, transition costs for the Action Sports acquisition, changes in value of future payments of contingent consideration, and acquisition inventory step-up, is a non-GAAP financial measure that Vista Outdoor defines as EPS excluding the impact of these items. Vista Outdoor management is presenting this measure so a reader may compare EPS, excluding these items, as this measure provides investors with an important perspective on the operating results of the company. Vista Outdoor management uses this measurement internally to assess business performance, and Vista Outdoor's definition may differ from those used by other companies.

| | Low | High |
|---|----------------|----------------|
| Current FY17 Full-Year Adjusted EPS Guidance | | |
| EPS guidance including goodwill and intangible impairment, acquisition claim settlement, contingent consideration revaluation, transaction and transition costs, and inventory step-up incurred to date | \$ (4.57) | \$ (4.42) |
| Goodwill and intangibles impairment | 6.99 | 6.99 |
| Acquisition claim settlement, net | (0.50) | (0.50) |
| Contingent consideration | (0.03) | (0.03) |
| Transaction and transition costs incurred to date | 0.05 | 0.05 |
| Inventory step-up | 0.01 | 0.01 |
| Adjusted EPS guidance | <u>\$ 1.95</u> | <u>\$ 2.10</u> |

Vista Outdoor is a leading global designer, manufacturer and marketer of consumer products in the growing outdoor sports and recreation markets. The company operates in two segments, Outdoor Products and Shooting Sports, and has a portfolio of well-recognized brands that provides consumers with a wide range of performance-driven, high-quality and innovative products for individual outdoor recreational pursuits. Vista Outdoor products are sold at leading retailers and distributors across North America and worldwide. Vista Outdoor is headquartered in Utah and has manufacturing operations and facilities in 13 U.S. States, Canada, Mexico and Puerto Rico along with international customer service, sales and sourcing operations in Asia, Australia, Canada, Europe and New Zealand.

Forward-Looking Statements

Certain statements in this press release and other oral and written statements made by Vista Outdoor from time to time are forward-looking statements, including those that discuss, among other things: Vista Outdoor's plans, objectives, expectations, intentions, strategies, goals, outlook or other non-historical matters; projections with respect to future revenues, income, earnings per share or other financial measures for Vista Outdoor; and the assumptions that underlie these matters. The words 'believe', 'expect', 'anticipate', 'intend', 'aim', 'should' and similar expressions are intended to identify such forward-looking statements. To the extent that any such information is forward-looking, it is intended to fit within the safe harbor for forward-looking information provided by the Private Securities Litigation Reform Act of 1995. Numerous risks, uncertainties and other factors could cause Vista Outdoor's actual results to differ materially from expectations described in such forward-looking statements, including the following: general economic and business conditions in the U.S. and Vista Outdoor's other markets, including conditions affecting employment levels, consumer confidence and spending, and other economic conditions affecting demand for our products and the financial health of our customers; Vista Outdoor's ability to attract and retain key personnel and maintain and grow its relationships with customers, suppliers and other business partners, including Vista Outdoor's ability to obtain acceptable third party licenses; Vista Outdoor's ability to adapt its products to changes in technology, the marketplace and customer preferences; Vista Outdoor's ability to maintain and enhance brand recognition and reputation; reductions, unexpected changes in or our inability to accurately forecast demand for ammunition, firearms or accessories or other outdoor sports and recreation products; risks associated with Vista Outdoor's sales to significant customers, including unexpected cancellations, delays and other changes to purchase orders; supplier capacity constraints, production disruptions or quality or price issues affecting Vista Outdoor's operating costs; Vista Outdoor's competitive environment; risks associated with compliance and diversification into international and commercial markets; the supply, availability and costs of raw materials and components; increases in commodity, energy and production costs; changes in laws, rules and regulations relating to Vista Outdoor's business, such as federal and state firearms and ammunition regulations; Vista Outdoor's ability to execute its long-term growth strategy, including our ability to complete and realize expected benefits from acquisitions and integrate acquired businesses; Vista Outdoor's ability to take advantage of growth opportunities in international and commercial markets; foreign currency exchange rates and fluctuations in those rates; the outcome of contingencies, including with respect to litigation and other proceedings relating to intellectual property, product liability, warranty liability, personal injury and environmental remediation; risks associated with cybersecurity and other industrial and physical security threats; capital market volatility and the availability of financing; changes to accounting standards or policies; and changes in tax rules or pronouncements. Vista Outdoor undertakes no obligation to update any forward-looking statements. For further information on factors that could impact Vista Outdoor, and statements contained herein, please refer to Vista Outdoor's filings with the Securities and Exchange Commission.

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VISTA OUTDOOR INC.
CONDENSED CONSOLIDATED STATEMENT OF INCOME (LOSS)
(preliminary and unaudited)

| (Amounts in thousands except per share data) | Quarter ended | | Nine months ended | |
|---|---------------------|------------------|---------------------|-------------------|
| | January 1, 2017 | January 3, 2016 | January 1, 2017 | January 3, 2016 |
| Sales, net | \$ 653,558 | \$ 592,557 | \$ 1,968,139 | \$ 1,658,431 |
| Cost of sales | 484,952 | 425,053 | 1,442,747 | 1,202,611 |
| Gross profit | 168,606 | 167,504 | 525,392 | 455,820 |
| Operating expenses: | | | | |
| Research and development | 8,170 | 3,681 | 24,151 | 8,851 |
| Selling, general, and administrative | 95,893 | 88,591 | 303,060 | 252,011 |
| Acquisition claim settlement gain, net | — | — | (30,027) | — |
| Goodwill and intangibles impairment | 449,199 | — | 449,199 | — |
| Income (loss) before interest and income taxes | (384,656) | 75,232 | (220,991) | 194,958 |
| Interest expense, net | (10,551) | (7,776) | (32,657) | (16,908) |
| Income (loss) before income taxes | (395,207) | 67,456 | (253,648) | 178,050 |
| Income tax provision (benefit) | (17,548) | 24,297 | 21,663 | 68,326 |
| Net income (loss) | <u>\$ (377,659)</u> | <u>\$ 43,159</u> | <u>\$ (275,311)</u> | <u>\$ 109,724</u> |
| Earnings (loss) per common share: | | | | |
| Basic | \$ (6.48) | \$ 0.70 | \$ (4.63) | \$ 1.76 |
| Diluted | \$ (6.44) | \$ 0.70 | \$ (4.60) | \$ 1.75 |
| Weighted-average number of common shares outstanding: | | | | |
| Basic | 58,275 | 61,717 | 59,478 | 62,175 |
| Diluted | 58,634 | 62,092 | 59,819 | 62,534 |

VISTA OUTDOOR INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(preliminary and unaudited)

| (Amounts in thousands except share data) | January 1, 2017 | March 31, 2016 |
|---|---------------------|---------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 40,841 | \$ 151,692 |
| Net receivables | 533,334 | 428,398 |
| Net inventories | 585,116 | 440,240 |
| Income tax receivable | 8,904 | — |
| Other current assets | 28,443 | 29,334 |
| Total current assets | 1,196,638 | 1,049,664 |
| Net property, plant, and equipment | 247,715 | 203,485 |
| Goodwill | 855,215 | 1,023,451 |
| Net intangible assets | 717,165 | 650,472 |
| Deferred charges and other non-current assets | 27,432 | 15,562 |
| Total assets | <u>\$ 3,044,165</u> | <u>\$ 2,942,634</u> |
| LIABILITIES AND EQUITY | | |
| Current liabilities: | | |
| Current portion of long-term debt | \$ 222,000 | \$ 17,500 |
| Accounts payable | 102,904 | 147,738 |
| Accrued compensation | 39,923 | 47,394 |
| Accrued income taxes | — | 12,171 |
| Federal excise tax | 31,196 | 27,701 |
| Other current liabilities | 181,421 | 116,397 |
| Total current liabilities | 577,444 | 368,901 |
| Long-term debt | 921,601 | 652,787 |
| Deferred income tax liabilities | 153,130 | 135,957 |
| Accrued pension and postemployment liabilities | 69,575 | 73,503 |
| Other long-term liabilities | 64,731 | 51,319 |
| Total liabilities | 1,786,481 | 1,282,467 |
| Common stock—\$.01 par value: | | |
| Authorized—500,000,000 shares | | |
| Issued and outstanding— 57,722,723 shares at January 1, 2017 and 60,825,914 shares at March 31, 2016 | 577 | 608 |
| Additional paid-in capital | 1,755,742 | 1,743,371 |
| (Accumulated deficit) Retained earnings | (108,890) | 166,421 |
| Accumulated other comprehensive loss | (122,583) | (110,214) |
| Common stock in treasury, at cost— 6,241,716 shares held at January 1, 2017 and 3,138,525 shares held at March 31, 2016 | (267,162) | (140,019) |
| Total stockholders' equity | 1,257,684 | 1,660,167 |
| Total liabilities and stockholders' equity | <u>\$ 3,044,165</u> | <u>\$ 2,942,634</u> |

VISTA OUTDOOR INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(preliminary and unaudited)

| (Amounts in thousands) | Nine months ended | |
|---|-------------------|-----------------|
| | January 1, 2017 | January 3, 2016 |
| Operating Activities: | | |
| Net income (loss) | \$ (275,311) | \$ 109,724 |
| Adjustments to net income(loss) to arrive at cash provided by operating activities: | | |
| Depreciation | 40,805 | 28,134 |
| Amortization of intangible assets | 31,020 | 24,602 |
| Goodwill and intangibles impairment | 449,199 | — |
| Amortization of deferred financing costs | 3,474 | 1,831 |
| Deferred income taxes | (30,171) | 697 |
| Loss (gain) on disposal of property, plant, and equipment | 140 | (180) |
| Stock-based compensation | 9,603 | 9,055 |
| Excess tax benefits from share-based plans | — | (206) |
| Changes in assets and liabilities, net of acquisition of businesses: | | |
| Net receivables | (19,226) | (36,387) |
| Net inventories | (85,162) | (75,437) |
| Accounts payable | (79,414) | (32,909) |
| Accrued compensation | (18,871) | 5,328 |
| Accrued income taxes | (15,863) | (4,543) |
| Federal excise tax | 3,566 | 5,688 |
| Pension and other postretirement benefits | 635 | 3,458 |
| Other assets and liabilities | 43,467 | 32,433 |
| Cash provided by operating activities | 57,891 | 71,288 |
| Investing Activities: | | |
| Capital expenditures | (49,302) | (26,301) |
| Acquisition of businesses, net of cash acquired | (458,149) | (462,116) |
| Proceeds from the disposition of property, plant, and equipment | 92 | 696 |
| Cash used for investing activities | (507,359) | (487,721) |
| Financing Activities: | | |
| Borrowings on line of credit | 445,000 | 360,000 |
| Payments on line of credit | (255,000) | (360,000) |
| Proceeds from issuance of long-term debt | 307,500 | 350,000 |
| Payment from former parent | — | 6,500 |
| Payments made on long-term debt | (24,000) | (13,125) |
| Payments made for debt issuance costs | (3,660) | (4,379) |
| Purchase of treasury shares | (122,860) | (115,194) |
| Deferred payments for acquisitions | (7,136) | — |
| Excess tax benefits from share-based plans | — | 206 |
| Proceeds from employee stock compensation plans | 75 | 438 |
| Cash provided by financing activities | 339,919 | 224,446 |
| Effect of foreign exchange rate fluctuations on cash | (1,302) | (830) |
| Decrease in cash and cash equivalents | (110,851) | (192,817) |
| Cash and cash equivalents at beginning of period | 151,692 | 263,951 |
| Cash and cash equivalents at end of period | \$ 40,841 | \$ 71,134 |