

HOOKER FURNITURE CORP  
Form 10-Q  
December 08, 2010

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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FORM 10-Q  
\_\_\_\_\_

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended October 31, 2010

Commission file number 000-25349

HOOKER FURNITURE CORPORATION  
(Exact name of registrant as specified in its charter)

Virginia  
(State or other jurisdiction of incorporation or  
organization)

54-0251350  
(IRS employer identification no.)

440 East Commonwealth Boulevard, Martinsville, VA 24112  
(Address of principal executive offices, zip code)

(276) 632-0459  
(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 x 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 (Section 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 " 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

Smaller reporting company

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Non-accelerated filer  (Do not check if 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

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of December 6, 2010

|                            |                    |
|----------------------------|--------------------|
| Common stock, no par value | 10,782,068         |
| (Class of common stock)    | (Number of shares) |

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## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

HOOKER FURNITURE CORPORATION AND SUBSIDIARIES  
 CONDENSED CONSOLIDATED BALANCE SHEETS  
 (In thousands, including share data)  
 (Unaudited)

|  | October 31,<br>2010 | January 31,<br>2010 |
|--|---------------------|---------------------|
| Assets   |                     |                     |
| Current Assets   |                     |                     |
| Cash and cash equivalents  | \$20,460            | \$37,995            |
| Accounts receivable, less allowance for doubtful accounts<br>of \$2,004 and \$1,938 on each date                                     | 28,409              | 25,894              |
| Inventories  | 55,622              | 36,176              |
| Prepaid expenses and other current assets  | 5,457               | 3,468               |
| Total current assets   | 109,948             | 103,533             |
| Property, plant, and equipment, net  | 21,173              | 22,747              |
| Intangible assets  | 3,468               | 3,468               |
| Cash surrender value of life insurance policies  | 14,560              | 14,810              |
| Other assets   | 4,691               | 4,541               |
| Total assets   | \$153,840           | \$149,099           |
| Liabilities and Shareholders' Equity   |                     |                     |
| Current Liabilities  |                     |                     |
| Trade accounts payable   | \$14,264            | \$10,425            |
| Accrued salaries, wages and benefits   | 2,427               | 2,184               |
| Other accrued expenses   | 1,662               | 1,953               |
| Accrued dividends  | 1,077               | 1,077               |
| Total current liabilities  | 19,430              | 15,639              |
| Deferred compensation  | 6,682               | 5,868               |
| Total liabilities  | 26,112              | 21,507              |
| Shareholders' equity   |                     |                     |
| Common stock, no par value, 20,000 shares authorized,<br>10,782 and 10,775 shares issued and outstanding on each date, respectively. | 17,134              | 17,076              |
| Retained earnings  | 110,261             | 110,073             |
| Accumulated other comprehensive income   | 333                 | 443                 |
| Total shareholders' equity   | 127,728             | 127,592             |
| Total liabilities and shareholders' equity   | \$153,840           | \$149,099           |

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

HOOKER FURNITURE CORPORATION AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
(In thousands, except per share data)  
(Unaudited)

|                                     | Thirteen Weeks Ended |                        | Thirty-Nine Weeks Ended |                        |
|-------------------------------------|----------------------|------------------------|-------------------------|------------------------|
|                                     | October 31,<br>2010  | November<br>1,<br>2009 | October 31,<br>2010     | November<br>1,<br>2009 |
| Net sales                           | \$55,735             | \$52,605               | \$160,465               | \$150,646              |
| Cost of sales                       | 43,460               | 39,928                 | 123,965                 | 117,047                |
| Casualty loss                       | -                    | -                      | 2,208                   | -                      |
| Insurance recovery                  | -                    | -                      | (1,708 )                | -                      |
| Total cost of sales                 | 43,460               | 39,928                 | 124,465                 | 117,047                |
| Gross profit                        | 12,275               | 12,677                 | 36,000                  | 33,599                 |
| Selling and administrative expenses | 10,610               | 10,894                 | 31,060                  | 32,329                 |
| Asset impairment charge             | -                    | -                      | -                       | 613                    |
| Operating income                    | 1,665                | 1,783                  |                         |                        |