

HENRY SCHEIN INC  
Form 10-Q  
November 06, 2017

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 30, 2017

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:** 0-27078

**HENRY SCHEIN, INC.**

(Exact name of registrant as specified in its charter)

Delaware 11-3136595  
(State or other jurisdiction of (I.R.S. Employer Identification No.)  
incorporation or organization)

135 Duryea Road

Melville, New York

(Address of principal executive offices)

11747

(Zip Code)

(631) 843-5500

(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  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, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and emerging growth 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   
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes \_\_\_

No X

As of October 31, 2017, there were 156,954,392 shares of the registrant's common stock outstanding.

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PART I. FINANCIAL INFORMATION

**ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS**

HENRY SCHEIN, INC.

**CONSOLIDATED BALANCE SHEETS**

(in thousands, except share and per share data)

**ASSETS**

Current assets:

Cash and cash equivalents

Accounts receivable, net of reserves of \$96,953 and \$90,329

Inventories, net

Prepaid expenses and other

Total current assets

Property and equipment, net

Goodwill

Other intangibles, net

Investments and other

Total assets

**LIABILITIES AND STOCKHOLDERS' EQUITY**

Current liabilities:

Accounts payable

Bank credit lines

Current maturities of long-term debt

Accrued expenses:

Payroll and related

Taxes

Other

Total current liabilities

Long-term debt	.....
Deferred income taxes	.....
Other liabilities	.....
Total liabilities	.....
Redeemable noncontrolling interests	.....
Commitments and contingencies	.....
Stockholders' equity:	
Preferred stock, \$.01 par value, 1,000,000 shares authorized, none outstanding	.....
Common stock, \$.01 par value, 240,000,000 shares authorized, 156,952,738 outstanding on September 30, 2017 and 158,805,010 outstanding on December 31, 2016	.....
Additional paid-in capital	.....
Retained earnings	.....
Accumulated other comprehensive loss	.....
Total Henry Schein, Inc. stockholders' equity	.....
Noncontrolling interests	.....
Total stockholders' equity	.....
Total liabilities, redeemable noncontrolling interests and stockholders' equity	.....
See accompanying notes.	



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HENRY SCHEIN, INC.

**CONSOLIDATED STATEMENTS OF INCOME****(in thousands, except per share data)**

(unaudited)

	Three Months Ended		Nine Months Ended	
	September	September	September	September
	30,	24,	30,	24,
	2017	2016	2017	2016
Net sales				
.....	\$3,161,083	\$2,865,148	\$9,143,489	\$8,450,734
Cost of sales				
.....	2,325,029	2,077,473	6,645,342	6,083,748
Gross profit				
.....	836,054	787,675	2,498,147	2,366,986
Operating expenses:				
Selling, general and administrative				
.....	622,506	581,584	1,879,969	1,779,583
Restructuring costs				
.....				