

HOOKER FURNITURE CORP  
Form 10-Q  
June 15, 2009

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

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

For the quarterly period ended May 3, 2009

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  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

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of June 12, 2009

Common stock, no par value  
(Class of common stock)

10,771,912  
(Number of shares)



## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

HOOKER FURNITURE CORPORATION AND SUBSIDIARIES  
CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, including share data)

(Unaudited)

|   | May 3,<br>2009 | February 1,<br>2009 |
|---|----------------|---------------------|
| <b>Assets</b>   |                |                     |
| Current assets  |                |                     |
| Cash and cash equivalents   | \$ 26,205      | \$ 11,804           |
| Trade accounts receivable, less allowance for doubtful accounts of \$1,917 and \$2,207 on each date     | 25,557         | 30,261              |
| Inventories   | 47,139         | 60,248              |
| Income tax recoverable  | 397            | 186                 |
| Prepaid expenses and other current assets   | 3,718          | 4,550               |
| Total current assets  | 103,016        | 107,049             |
| Property, plant and equipment, net  | 24,478         | 24,596              |
| Intangible assets   | 4,123          | 4,805               |
| Cash surrender value of life insurance policies   | 14,059         | 13,513              |
| Other assets  | 3,703          | 3,504               |
| Total assets  | \$ 149,379     | \$ 153,467          |
| <b>Liabilities and Shareholders' Equity</b>   |                |                     |
| Current liabilities   |                |                     |
| Trade accounts payable  | \$ 6,612       | \$ 8,392            |
| Accrued salaries, wages and benefits  | 2,282          | 2,218               |
| Other accrued expenses  | 2,974          | 2,279               |
| Current maturities of long-term debt  | 2,953          | 2,899               |
| Total current liabilities   | 14,821         | 15,788              |
| Long-term debt, excluding current maturities  | 1,560          | 2,319               |
| Deferred compensation   | 5,852          | 5,606               |
| Other long-term liabilities   | 34             | 44                  |
| Total liabilities   | 22,267         | 23,757              |
| Shareholders' equity  |                |                     |
| Common stock, no par value, 20,000 shares authorized, 10,772 shares issued and outstanding on each date | 17,015         | 16,995              |
| Retained earnings   | 109,840        | 112,450             |
| Accumulated other comprehensive income  | 257            | 265                 |
| Total shareholders' equity  | 127,112        | 129,710             |
| Total liabilities and shareholders' equity  | \$ 149,379     | \$ 153,467          |

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 |                |
|-------------------------------------|----------------------|----------------|
|                                     | May 3<br>2009        | May 4,<br>2008 |
| Net sales                           | \$ 52,063            | \$ 71,027      |
| Cost of sales                       | 40,836               | 54,291         |
| Gross profit                        | 11,227               | 16,736         |
| Selling and administrative expenses | 11,181               | 12,786         |
| Intangible asset impairment charge  | 673                  |                |
| Operating (loss) income             | (627)                | 3,950          |
| Other (expense) income, net         | (3)                  | 187            |
| (Loss) income before income taxes   | (630)                | 4,137          |
| Income tax (benefit) expense        | (174)                | 1,532          |
| Net (loss) income                   | \$ (456)             | \$ 2,605       |
| (Loss) earnings per share:          |                      |                |
| Basic                               | \$ (0.04)            | \$ 0.23        |
| Diluted                             | \$                   |                |