

INTER PARFUMS INC
Form 10-Q
May 07, 2008

**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 March 31, 2008.

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 No. **0-16469**

INTER PARFUMS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

13-3275609

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

551 Fifth Avenue, New York, New York 10176

(Address of Principal Executive Offices) (Zip Code)

(212) 983-2640

(Registrants 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 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 is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition 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

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Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

At May 6, 2008 there were 20,415,117 shares of common stock, par value \$.001 per share, outstanding.

INTER PARFUMS, INC. AND SUBSIDIARIES

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INTER PARFUMS, INC. AND SUBSIDIARIES

Part I. Financial Information

Item 1. Financial Statements

In our opinion, the accompanying unaudited consolidated financial statements contain all adjustments (consisting only of normal recurring adjustments) necessary to present fairly our financial position, results of operations and cash flows for the interim periods presented. We have condensed such financial statements in accordance with the rules and regulations of the Securities and Exchange Commission. Therefore, such financial statements do not include all disclosures required by accounting principles generally accepted in the United States of America. These financial statements should be read in conjunction with our audited financial statements for the year ended December 31, 2007 included in our annual report filed on Form 10-K.

The results of operations for the three months ended March 31, 2008 are not necessarily indicative of the results to be expected for the entire fiscal year.

INTER PARFUMS, INC. AND SUBSIDIARIES**CONSOLIDATED BALANCE SHEETS**
(In thousands except share and per share data)

	March 31, 2008 (unaudited)	December 31, 2007
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 54,581	\$ 90,034
Accounts receivable, net	140,086	118,140
Inventories	117,902	106,022
Receivables, other	4,697	5,928
Other current assets	6,528	5,253
Income tax receivable	166	168
Deferred tax assets	4,109	4,300
Total current assets	328,069	329,845
Equipment and leasehold improvements, net	7,845	7,262
Trademarks, licenses and other intangible assets, net	122,118	101,577
Goodwill	7,200	6,715
Other assets	689	653
	\$ 465,921	\$ 446,052
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Loans payable – banks	\$ 11,974	\$ 7,217
Current portion of long-term debt	17,529	16,215
Accounts payable - trade	77,711	88,297
Accrued expenses	36,015	35,507
Income taxes payable	6,396	3,023
Dividends payable	1,027	1,026
Total current liabilities	150,652	151,285
Long-term debt, less current portion	42,294	43,518
Deferred tax liability	9,936	4,664
Minority interest	52,405	53,925
Shareholders' equity:		

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Preferred stock, \$.001 par; authorized 1,000,000 shares; none issued		
Common stock, \$.001 par; authorized 100,000,000 shares; outstanding 20,415,117 and 20,532,141 shares at March 31, 2008 and December 31, 2007, respectively	20	21
Additional paid-in capital	40,268	40,033
Retained earnings	155,776	147,995
Accumulated other comprehensive income	43,120	30,955
Treasury stock, at cost, 6,332,161 and 6,202,637 common shares at March 31, 2008 and December 31, 2007, respectively	(28,550)	(26,344)
	210,634	192,660
	\$ 465,921	\$ 446,052

See notes to consolidated financial statements.

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INTER PARFUMS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(In thousands except per share data)

(Unaudited)

	Three months ended March 31,	
	2008	2007
Net sales	\$ 123,163	\$ 85,120
Cost of sales	49,075	33,187
Gross margin	74,088	51,933
Selling, general and administrative	54,943	40,141