



Edgar Filing: VECTOR GROUP LTD - Form 10-Q

Large accelerated  
filer

Smaller reporting  
company

(Do not check if a 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

At April 28, 2016, Vector Group Ltd. had 123,792,329 shares of common stock outstanding.

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VECTOR GROUP LTD.

FORM 10-Q

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VECTOR GROUP LTD. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED BALANCE SHEETS

(Dollars in Thousands, Except Per Share Amounts)

Unaudited

	March 31, 2016	December 31, 2015
<b>ASSETS:</b>		
Current assets:		
Cash and cash equivalents	\$209,048	\$240,368
Investment securities available for sale	152,700	181,976
Accounts receivable - trade, net	20,449	23,889
Inventories	92,451	86,516
Income taxes receivable, net	4,621	2,841
Restricted assets	9,628	9,195
Other current assets	37,748	38,954
Total current assets	526,645	583,739
Property, plant and equipment, net	73,608	75,632
Real estate held for sale, net	23,366	23,318
Long-term investments	59,488	62,726
Investments in real estate ventures	225,033	217,168
Restricted assets	14,887	12,303
Goodwill and other intangible assets, net	263,413	263,959
Prepaid pension costs	20,976	20,650
Other assets	21,373	21,120
Total assets	\$1,228,789	\$1,280,615
<b>LIABILITIES AND STOCKHOLDERS' DEFICIENCY:</b>		
Current liabilities:		
Current portion of notes payable and long-term debt	\$25,927	\$8,919
Current payments due under the Master Settlement Agreement	43,705	29,241
Current portion of employee benefits	914	915
Income taxes payable, net	—	96
Litigation accruals	7,686	22,904
Other current liabilities	113,085	154,217
Total current liabilities	191,317	216,292
Notes payable, long-term debt and other obligations, less current portion	864,554	856,108
Fair value of derivatives embedded within convertible debt	134,348	144,042
Non-current employee benefits	55,171	55,055
Deferred income taxes, net	85,069	79,429
Payments due under the Master Settlement Agreement	20,094	20,094
Litigation accruals	22,034	24,718
Other liabilities	10,062	7,038
Total liabilities	1,382,649	1,402,776
Commitments and contingencies (Note 7)		
Stockholders' deficiency:		
Preferred stock, par value \$1.00 per share, 10,000,000 shares authorized	—	—
Common stock, par value \$0.10 per share, 250,000,000 shares authorized, 123,792,329 shares issued and outstanding	12,379	12,379
Accumulated deficit	(238,180)	(210,113)
Accumulated other comprehensive income	(8,270)	(8,313)
Total Vector Group Ltd. stockholders' deficiency	(234,071)	(206,047)

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Non-controlling interest	80,211	83,886
Total stockholders' deficiency	(153,860 )	(122,161 )
Total liabilities and stockholders' deficiency	\$1,228,789	\$ 1,280,615

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

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VECTOR GROUP LTD. AND SUBSIDIARIES  
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
 (Dollars in Thousands, Except Per Share Amounts)  
 Unaudited

	Three Months Ended March 31,	
	2016	2015
Revenues:		
Tobacco*	\$221,015	\$228,085
Real estate	159,747	132,256
E-Cigarettes	38	419
Total revenues	380,800	360,760
Expenses:		
Cost of sales:		
Tobacco*	136,738	157,030
Real estate	99,678	84,358
E-Cigarettes	6	630
Total cost of sales	236,422	242,018
Operating, selling, administrative and general expenses	79,828	74,181
Litigation settlement and judgment expense	2,350	843
Restructuring charges	41	—
Operating income	62,159	