

KNIGHT TRANSPORTATION INC
Form 10-Q
May 12, 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 Number: 0-24946

KNIGHT TRANSPORTATION, INC.
(Exact name of registrant as specified in its charter)

Arizona

86-0649974

(State or other jurisdiction of
incorporation or organization)

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

5601 West Buckeye Road
Phoenix, Arizona
85043
(Address of Principal Executive Offices)
(Zip Code)

Registrant's telephone number, including area code: 602-269-2000

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. x Yes o No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer" and "large accelerated filer" in Rule 12b-2 of the Exchange Act (Check one):

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Large accelerated filer

Accelerated filer

Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares outstanding of registrant's Common Stock, par value \$0.01 per share, as of April 30, 2008 was 85,564,066 shares.

KNIGHT TRANSPORTATION, INC.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

KNIGHT TRANSPORTATION, INC. AND SUBSIDIARIES
Condensed Consolidated Unaudited Balance Sheets
As of March 31, 2008 and December 31, 2007
(In thousands)

	March 31, 2008	December 31, 2007
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 21,465	\$ 23,688
Short term investment	7,140	7,620
Accounts receivable, net	84,954	88,535
Notes receivable, net	156	19
Other current assets	17,913	24,994
Prepaid expenses	9,192	8,776
Income tax receivable	-	3,558
Deferred tax asset	10,372	10,157
Total current assets	151,192	167,347
Property and Equipment:		
Land and improvements	26,828	26,878
Buildings and improvements	49,275	46,685
Furniture and fixtures	7,016	6,910
Shop and service equipment	4,702	3,935
Revenue equipment	529,554	521,085
Leasehold improvements	913	776
	618,288	606,269
Less: Accumulated depreciation and amortization	(155,807)	(146,721)
Property and equipment, net	462,481	459,548
Notes receivable – long-term	328	887
Goodwill	10,367	10,372
Intangible assets, net	222	238
Other assets & restricted cash	4,971	4,972
Total assets	\$ 629,561	\$ 643,364

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

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KNIGHT TRANSPORTATION, INC. AND SUBSIDIARIES
Condensed Consolidated Unaudited Balance Sheets (continued)
As of March 31, 2008 and December 31, 2007
(In thousands, except par values)

	March 31, 2008	December 31, 2007
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 9,209	\$ 17,744
Accrued payroll and purchased transportation	8,921	7,992
Accrued liabilities	7,556	8,048
Claims accrual	28,581	28,662
Total current liabilities	54,267	62,446
Deferred tax liabilities	95,903	93,368
Total liabilities	150,170	155,814
Commitments and Contingencies		
Shareholders' Equity:		
Preferred stock, \$0.01 par value; 50,000 shares authorized; none issued and outstanding	-	-
Common stock, \$0.01 par value; 300,000 shares authorized; 85,520 and 86,697 shares issued and outstanding at March 31, 2008 and December 31, 2007, respectively	855	867
Additional paid-in capital	103,533	102,450
Retained earnings	375,003	384,233
Total shareholders' equity	479,391	487,550