

DHI GROUP, INC.
Form 10-Q
October 28, 2015
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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 quarter ended September 30, 2015

OR
 TRANSITION PERIOD PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

FOR THE TRANSITION PERIOD FROM _____ TO _____
Commission File Number: 001-33584

DHI Group, Inc.
(Exact name of Registrant as specified in its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

20-3179218
(I.R.S. Employer
Identification No.)

1040 Avenue of the Americas, 8th Floor
New York, New York
(Address of principal executive offices)
(212) 725-6550
(Registrant's telephone number, including area code)

10018
(Zip 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 (§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 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 Smaller Reporting Company

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

As of October 23, 2015, there were 52,661,098 shares of the registrant's common stock, par value \$.01 per share, outstanding.

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SIGNATURES

Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

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PART I

ITEM 1. Financial Statements

DHI GROUP, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(unaudited)

(in thousands, except per share data)

	September 30, 2015	December 31, 2014
ASSETS		
Current assets		
Cash and cash equivalents	\$33,911	\$26,777
Accounts receivable, net of allowance for doubtful accounts of \$3,054 and \$2,888	40,567	49,048
Deferred income taxes—current	3,163	3,373
Income taxes receivable	1,068	3,973
Prepaid and other current assets	3,308	4,764
Assets held for sale	4,683	—
Total current assets	86,700	87,935
Fixed assets, net	15,495	16,066
Acquired intangible assets, net	68,675	81,345
Goodwill	235,445	239,256
Deferred financing costs, net of accumulated amortization of \$1,074 and \$761	1,007	1,320
Deferred income taxes—non-current	344	399
Other assets	645	926
Total assets	\$408,311	\$427,247
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued expenses	\$23,042	\$25,714
Deferred revenue	81,872	86,444
Current portion of acquisition related contingencies	—	3,883
Current portion of long-term debt	4,375	2,500
Deferred income taxes—current	—	3
Income taxes payable	4,319	1,205
Liabilities held for sale	2,379	—
Total current liabilities	115,987	119,749
Long-term debt	97,250	108,000
Deferred income taxes—non-current	14,703	15,478
Accrual for unrecognized tax benefits	3,564	3,392
Other long-term liabilities	2,985	2,830
Total liabilities	234,489	249,449
Commitments and contingencies (Note 8)		
Stockholders' equity		
Convertible preferred stock, \$.01 par value, authorized 20,000 shares; no shares issued and outstanding	—	—
Common stock, \$.01 par value, authorized 240,000; issued 80,225 and 77,366 shares, respectively; outstanding: 53,151 and 54,142 shares, respectively	802	774
Additional paid-in capital	348,200	332,985
Accumulated other comprehensive loss	(18,079) (13,906
Accumulated earnings	77,725	60,444
Treasury stock, 27,074 and 23,224 shares, respectively	(234,826) (202,499

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Total stockholders' equity	173,822	177,798
Total liabilities and stockholders' equity	\$408,311	\$427,247

See accompanying notes to the condensed consolidated financial statements.

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DHI GROUP, INC.
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
 (unaudited)
 (in thousands, except per share amounts)

	Three Months Ended September		Nine Months Ended September	
	30,		30,	
	2015	2014	2015	2014
Revenues	\$65,138	\$67,615	\$194,710	\$194,849
Operating expenses:				
Cost of revenues	9,765	9,418	29,255	27,803
Product development	7,938	6,487	22,082	19,254
Sales and marketing	19,779	20,746	60,984	60,032
General and administrative	10,958	10,760	34,059	32,131
Depreciation	2,364	2,930		