

GAMCO INVESTORS, INC. ET AL
Form 10-Q
August 07, 2018
SECURITIES & 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 June 30, 2018

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. 001-14761

GAMCO INVESTORS, INC.
(Exact name of Registrant as specified in its charter)

Delaware 13-4007862
(State of other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

One Corporate Center, Rye, NY 10580-1422
(Address of principle executive offices) (Zip Code)

(914) 921-3700
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 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, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company o Emerging growth company

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If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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 Registrant's classes of Common Stock, as of the latest practical date.

Class	Outstanding at July 31, 2018
Class A Common Stock, .001 par value (Including 267,300 restricted stock awards)	9,937,977
Class B Common Stock, .001 par value	19,024,404

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GAMCO INVESTORS, INC. AND SUBSIDIARIES

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Condensed Consolidated Statements of Income:

- Three months ended June 30, 2018 and 2017
- Six months ended June 30, 2018 and 2017

Condensed Consolidated Statements of Comprehensive Income:

- Three months ended June 30, 2018 and 2017
- Six months ended June 30, 2018 and 2017

Condensed Consolidated Statements of Financial Condition:

- June 30, 2018
- December 31, 2017
- June 30, 2017

Condensed Consolidated Statements of Equity:

- Six months ended June 30, 2018 and 2017

Condensed Consolidated Statements of Cash Flows:

- Six months ended June 30, 2018 and 2017

Notes to Unaudited Condensed Consolidated Financial Statements

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GAMCO INVESTORS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
UNAUDITED

(Dollars in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Revenues				
Investment advisory and incentive fees	\$77,334	\$76,625	\$154,682	\$151,614
Distribution fees and other income	9,859	10,975	20,008	21,903
Total revenues	87,193	87,600	174,690	173,517
Expenses				
Compensation	28,952	29,437	54,902	54,715
Management fee	1,482	2,356	6,116	4,520
Distribution costs	9,852	10,795	20,056	21,708
Other operating expenses	5,534	5,352	10,987	10,471
Total expenses	45,820	47,940	92,061	91,414
Operating income	41,373	39,660	82,629	82,103
Other income (expense)				
Net gain (loss) from investments	1,409	(14)	(3,938)	26
Interest and dividend income	526	551	1,018	1,020
Interest expense	(922)	(2,749)	(2,122)	(5,581)
Total other income/(expense), net	1,013	(2,212)	(5,042)	(4,535)
Income before income taxes	42,386	37,448	77,587	77,568
Income tax provision	10,804	14,554	18,744	29,854
Net income attributable to GAMCO Investors, Inc.'s shareholders	\$31,582	\$22,894	\$58,843	\$47,714
Net income attributable to GAMCO Investors, Inc.'s shareholders per share:				
Basic	\$1.10	\$0.79	\$2.04	\$1.65
Diluted	\$1.10	\$0.76	\$2.04	\$1.58
Weighted average shares outstanding:				
Basic	28,777	28,896	28,846	28,933
Diluted	28,819	31,100	28,867	31,130
Dividends declared:	\$0.02	\$0.02	\$0.04	\$0.04

See accompanying notes.

GAMCO INVESTORS, INC. AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
 UNAUDITED

(Dollars in thousands, except per share data)

	Three Months		Six Months Ended	
	Ended		June 30,	
	June 30,	June 30,	June 30,	June 30,
	2018	2017	2018	2017
Net income	\$31,582	\$22,894	\$58,843	\$47,714
Other comprehensive gain/(loss), net of tax:				
Foreign currency translation	(60)	37	29	