

INTER PARFUMS INC  
Form 10-Q  
May 10, 2006

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, 2006.

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 an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).  
Yes  No

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 issuer's classes of common stock, as of the latest practicable date.

At May 8, 2006 there were 20,312,310 shares of common stock, par value \$.001 per share, outstanding.

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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, 2005 included in our annual report filed on Form 10-K.

The results of operations for the three months ended March 31, 2006 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)

	<b>ASSETS</b>	
	March 31, 2006 (unaudited)	December 31, 2005
<b>Current assets:</b>		
Cash and cash equivalents	\$ 48,946	\$ 42,132
Short-term investments	16,000	17,400
Accounts receivable, net	82,729	82,231
Inventories	58,734	48,631
Receivables, other	2,850	2,119
Other current assets	5,352	4,213
Income tax receivable	110	104
Deferred tax assets	3,235	3,011
<b>Total current assets</b>	<b>217,956</b>	<b>199,841</b>
<b>Equipment and leasehold improvements, net</b>	<b>6,287</b>	<b>5,835</b>
<b>Trademarks, licenses and other intangible assets, net</b>	<b>31,066</b>	<b>30,136</b>
<b>Goodwill</b>	<b>4,588</b>	<b>4,476</b>
<b>Other assets</b>	<b>632</b>	<b>622</b>
	<b>\$ 260,529</b>	<b>\$ 240,910</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities:</b>		
Loans payable - banks	\$ 5,505	\$ 989
Current portion of long-term debt	3,873	3,775
Accounts payable	43,464	40,359
Accrued expenses	23,533	21,555
Income taxes payable	2,175	1,269
Dividends payable	812	810
<b>Total current liabilities</b>	<b>79,362</b>	<b>68,757</b>
<b>Long-term debt, less current portion</b>	<b>8,715</b>	<b>9,437</b>
<b>Deferred tax liability</b>	<b>1,940</b>	<b>1,783</b>
<b>Put options</b>	<b>763</b>	<b>743</b>
<b>Minority interest</b>	<b>35,575</b>	<b>32,463</b>

**Shareholders' equity:**

Preferred stock, \$.001 par; authorized  
1,000,000 shares; none issued

Common stock, \$.001 par; authorized  
100,000,000 shares;

outstanding 20,304,810 and 20,252,310 shares at  
March 31, 2006 and December 31, 2005,  
respectively

	20	20
Additional paid-in capital	36,933	36,640
Retained earnings	116,410	112,802
Accumulated other comprehensive income	6,120	3,574
Treasury stock, at cost, 6,302,768 common shares at March 31, 2006 and December 31, 2005	(25,309)	(25,309)

	134,174	127,727
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