

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 15, 2017

**Crown Crafts, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction  
of incorporation)

**1-7604**

(Commission File Number)

**58-0678148**

(IRS Employer  
Identification No.)

**916 South Burnside Avenue, Gonzales, LA**

(Address of principal executive offices)

**70737**

(Zip Code)

Registrant's telephone number, including area code: **(225) 647-9100**

(Former name or former address if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On February 15, 2017, Crown Crafts, Inc. (the “Company”) issued a press release announcing its financial results for the third quarter of fiscal year 2017, which ended January 1, 2017. A copy of that press release is attached hereto as Exhibit 99.1.

The information in this Item 2.02 and in Exhibit 99.1 attached hereto is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of such section. The information in this Item 2.02 and in Exhibit 99.1 attached hereto shall not be incorporated by reference into any registration statement or document pursuant to the Securities Act of 1933, as amended.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 Press Release dated February 15, 2017.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CROWN CRAFTS, INC.

Date: February 15, 2017

/s/ Olivia W. Elliott

Olivia W. Elliott

Vice President and Chief Financial Officer

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Exhibit Index

| <u>Exhibit No.</u> | <u>Description of Exhibit</u>          |
|--------------------|--|
| 99.1               | Press Release dated February 15, 2017. |



*Crown Crafts, Inc.*

**For immediate release**

**February 15, 2017**

**Crown Crafts Reports Fiscal 2017 Third Quarter Results**

- Gross profit improves to 32.7% for the quarter
- Cash balance increases to \$14.4 million at quarter end
- Board declares a quarterly dividend of \$0.08 per share

Gonzales, Louisiana – Crown Crafts, Inc. (NASDAQ-CM: CRWS) (the “Company”) today reported results for the fiscal 2017 third quarter, which ended January 1, 2017.

“We maintained our strong profitability in the third quarter, and our cash balance of \$14.4 million increased from both the prior quarter and the prior-year quarter,” said E. Randall Chestnut, Chairman, President and Chief Executive Officer. “Our gross profit margin benefited from continued favorable currency exchange rates and our ongoing focus on controlling costs. Net sales in the quarter were impacted most significantly by a customer’s Black Friday sales promotion in the prior year that was not repeated this year and a credit issue with a major retailer.”

**Financial Results**

Net income for the third quarter of fiscal 2017 was \$1.9 million, or \$0.19 per diluted share, on net sales of \$17.3 million, compared with net income of \$2.1 million, or \$0.21 per diluted share, on net sales of \$20.7 million for the third quarter of fiscal 2016. Gross profit for the current-year quarter was 32.7% of net sales, up from 30.2% in the prior-year quarter.

For the nine-month period, net income was \$4.0 million, or \$0.39 per diluted share, on net sales of \$48.7 million, compared with net income of \$4.6 million, or \$0.46 per diluted share, on net sales of \$59.3 million for the first nine months of fiscal 2016. Gross profit for the nine-month period of the current year was 29.2% of net sales, up from 28.2% in the prior-year period.

Net income for both the third quarter and nine-month periods of the prior fiscal year was favorably affected by \$315,000, or \$0.03 per diluted share, due to a change in the Company’s calculation of the state portion of its income tax provision.

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## **Quarterly Cash Dividend**

The Company also announced that its Board of Directors declared a quarterly cash dividend on the Company's Series A common stock of \$0.08 per share, which will be paid on April 7, 2017, to shareholders of record at the close of business on March 17, 2017. "The Board remains confident in the long-term profitability and financial strength of the Company, and we are pleased to return value to shareholders through this quarterly dividend," Chestnut said.

## **Conference Call**

The Company will host a teleconference today at 1:00 p.m. Central Standard Time to discuss the Company's results, during which interested individuals will be given the opportunity to ask appropriate questions. To join the teleconference, dial (844) 861-5504 and ask to be joined into the Crown Crafts, Inc. call. The teleconference can also be accessed in listen-only mode by visiting the Company's website at [www.crowncrafts.com](http://www.crowncrafts.com). The financial information to be discussed during the teleconference may be accessed prior to the call on the investor relations portion of the Company's website. A telephone replay of the teleconference will be available one hour after the end of the call through 4:00 p.m. Central Standard Time on February 22, 2017. To access the replay, dial (877) 344-7529 in the United States or (412) 317-0088 from international locations and refer to conference number 10099126.

## **About Crown Crafts, Inc.**

Crown Crafts, Inc. designs, markets and distributes infant, toddler and juvenile consumer products, including crib and toddler bedding; blankets; nursery accessories; room décor; burp cloths; bathing accessories; reusable and disposable bibs; and disposable placemats, floor mats, toilet seat covers and changing mats. The Company's operating subsidiaries consist of Crown Crafts Infant Products, Inc. in California and Hamco, Inc. in Louisiana. Crown Crafts is among America's largest producers of infant bedding, toddler bedding and bibs. The Company's products include licensed and branded collections, as well as exclusive private label programs for certain of its customers. The Company's website is [www.crowncrafts.com](http://www.crowncrafts.com).

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## Forward-Looking Statements

*The foregoing contains forward-looking statements within the meaning of the Securities Act of 1933, the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. Such statements are based upon management's current expectations, projections, estimates and assumptions. Words such as "expects," "believes," "anticipates" and variations of such words and similar expressions identify such forward-looking statements. Forward-looking statements involve known and unknown risks and uncertainties that may cause future results to differ materially from those suggested by the forward-looking statements. These risks include, among others, general economic conditions, including changes in interest rates, in the overall level of consumer spending and in the price of oil, cotton and other raw materials used in the Company's products, changing competition, changes in the retail environment, the level and pricing of future orders from the Company's customers, the extent to which the Company's business is concentrated in a small number of customers, the Company's dependence upon third-party suppliers, including some located in foreign countries, customer acceptance of both new designs and newly-introduced product lines, actions of competitors that may impact the Company's business, disruptions to transportation systems or shipping lanes used by the Company or its suppliers, and the Company's dependence upon licenses from third parties. Reference is also made to the Company's periodic filings with the Securities and Exchange Commission for additional factors that may impact the Company's results of operations and financial condition. The Company does not undertake to update the forward-looking statements contained herein to conform to actual results or changes in our expectations, whether as a result of new information, future events or otherwise.*

Contact:

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or

Halliburton Investor Relations  
(972) 458-8000

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CROWN CRAFTS, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF INCOME  
SELECTED FINANCIAL DATA  
In thousands, except percentages and per share data  
(Unaudited)

|                                      | Three-Month Periods Ended |                   | Nine-Month Periods Ended |                   |
|--------------------------------------|---------------------------|-------------------|--------------------------|-------------------|
|                                      | January 1, 2017           | December 27, 2015 | January 1, 2017          | December 27, 2015 |
| Net sales                            | \$ 17,262                 | \$ 20,691         | \$ 48,670                | \$ 59,265         |
| Gross profit                         | 5,639                     | 6,252             | 14,235                   | 16,739            |
| Gross profit percentage              | 32.7%                     | 30.2%             | 29.2%                    | 28.2%             |
| Income from operations               | 3,063                     | 3,070             | 6,059                    | 7,188             |
| Income before income tax expense     | 3,088                     | 3,022             | 6,136                    | 7,140             |
| Income tax expense                   | 1,227                     | 879               | 2,173                    | 2,505             |
| Net income                           | 1,861                     | 2,143             | 3,963                    | 4,635             |
| Basic earnings per share             | \$ 0.19                   | \$ 0.21           | \$ 0.40                  | \$ 0.46           |
| Diluted earnings per share           | \$ 0.19                   | \$ 0.21           | \$ 0.39                  | \$ 0.46           |
| Weighted Average Shares Outstanding: |                           |                   |                          |                   |
| Basic                                | 10,031                    | 9,996             | 10,007                   | 10,024            |
| Diluted                              | 10,058                    | 10,038            | 10,040                   | 10,063            |

CONSOLIDATED BALANCE SHEETS  
SELECTED FINANCIAL DATA  
In thousands

|  | January 1, 2017<br>(unaudited) | April 3, 2016 |
|--|--------------------------------|---------------|
| Cash and cash equivalents                  | \$ 14,394                      | \$ 7,574      |
| Accounts receivable, net of allowances     | 14,453                         | 20,796        |
| Inventories                                | 16,375                         | 14,785        |
| Total current assets                       | 48,430                         | 45,732        |
| Finite-lived intangible assets - net       | 3,316                          | 3,882         |
| Goodwill                                   | 1,126                          | 1,126         |
| Total assets                               | \$ 54,823                      | \$ 52,415     |
| Total current liabilities                  | 16,113                         | 12,185        |
| Shareholders' equity                       | 38,054                         | 40,019        |
| Total liabilities and shareholders' equity | \$ 54,823                      | \$ 52,415     |