
**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): **August 7, 2019**

WOLVERINE WORLD WIDE, INC.

(Exact name of registrant as specified in its charter)

Delaware <small>(State or other jurisdiction of incorporation)</small>	001-06024 <small>(Commission File Number)</small>	38-1185150 <small>(IRS Employer Identification No.)</small>
9341 Courtland Drive N.E., Rockford, Michigan <small>(Address of principal executive offices)</small>		49351 <small>(Zip Code)</small>

Registrant's telephone number, including area code: **(616) 866-5500**

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 (see General Instruction A.2. below):

- 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))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading symbol</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$1 Par Value	WWW	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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.

Item 2.02 Results of Operations and Financial Condition.

On August 7, 2019, Wolverine World Wide, Inc. (the “Company”) issued a press release announcing its financial results for the Company’s second quarter of 2019, attached as Exhibit 99.1 to this Form 8-K (the “8-K”), which is hereby incorporated by reference. This 8-K and Exhibit 99.1 shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or incorporated by reference in any filing under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

99.1 [Press Release dated August 7, 2019. This Exhibit shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or incorporated by reference in any filing under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.](#)

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 hereunto duly authorized.

Dated: August 7, 2019

WOLVERINE WORLD WIDE, INC.
(Registrant)

/s/ Michael D. Stornant

Michael D. Stornant

Senior Vice President, Chief Financial Officer and Treasurer



9341 Courtland Drive NE, Rockford, MI 49351
Phone (616) 866-5500; Fax (616) 866-0257

FOR IMMEDIATE RELEASE
CONTACT: Michael Harris
(616) 866-5534

WOLVERINE WORLD WIDE REPORTS STRONG SECOND QUARTER EARNINGS AND UPDATES FULL-YEAR OUTLOOK

Earnings per share exceed expectations

Rockford, Michigan, August 7, 2019 - Wolverine World Wide, Inc. (NYSE: WWW) today reported financial results for the second quarter ended June 29, 2019. The Company also provided an update on its full-year 2019 outlook.

“Earnings were strong and exceeded our expectations going into the quarter,” said Blake Krueger, Wolverine World Wide’s Chairman, Chief Executive Officer and President. “Despite unfavorable Spring weather and overall sluggish U.S. retail conditions, second quarter revenue increased 1.1% on a constant currency basis with our owned eCommerce business growing over 25% and four of our top-five brands meeting or exceeding revenue expectations. Merrell grew mid-single digits and Sperry improved to flattish growth in the quarter. As we look into the second half of the year, we expect to deliver mid-single digit revenue growth driven by strength in Merrell, Sperry and Saucony.”

SECOND QUARTER 2019 REVIEW

- Reported revenue of \$568.6 million increased 0.3% as compared to the prior year and adjusting for currency, increased 1.1%.
- Reported gross margin of 40.5%, was in line with expectations, and compared to 41.3% in the prior year.
- Reported operating margin was 9.8%. Adjusted operating margin of 11.1%, was in line with expectations, and compared to 12.5% in the prior year.
- The reported tax rate was 19.4%, as compared to 18.1% in the prior year.
- Reported diluted earnings per share were \$0.45, compared to \$0.57 in the prior year. Adjusted diluted earnings per share were \$0.52 compared to \$0.54 in the prior year.
- Inventories increased 38.4% compared to the prior year, including \$10 million from new stores and the acquisition of a distributor in Italy. The second quarter inventory position includes a significant pull forward of China-sourced production in anticipation of potential China tariff exposure.
- The Company repurchased \$104 million of shares in the quarter at an average price of \$29.07, and has approximately \$220 million available under its current \$400 million share repurchase program.

“We are encouraged by the growth momentum of our largest brands and pleased with our earnings performance in the quarter,” stated Mike Stornant, Senior Vice President and Chief Financial Officer. “Second quarter earnings per share benefited from our continued operational discipline without compromising our demand creation investments. Our strong capital structure allowed us to continue share repurchases. We also generated \$136 million of operating cash flow during the quarter. We ended the quarter with approximately \$1.25 billion of dry powder, giving the Company significant flexibility and capacity to invest for growth.”

2019 OUTLOOK

The Company has very good visibility to a much stronger back half and is expecting approximately 5.5% constant currency revenue growth. This outlook includes approximately 10% constant currency growth in the second half for Merrell, Sperry and Saucony on a combined basis. As a result, the Company is updating its full-year guidance as follows:

- Revenue is now expected to be approximately \$2.28 billion, within the range of prior outlook and guidance.
- Gross margin is now expected to be approximately 41.0%.
- Reported operating margin is now expected to be approximately 11% and adjusted operating margin is expected to be approximately 12%.
- The effective tax rate is expected to be approximately 19.0%.
- Diluted weighted average shares are now expected to be approximately 88 million.
- Reported diluted earnings per share are now expected to be approximately \$2.06 and adjusted diluted earnings per share are now expected to be approximately \$2.28.
- Cash flow from operations is now expected to be approximately \$190 million.

NON-GAAP FINANCIAL MEASURES

Measures referred to as "adjusted" financial results exclude environmental and other related costs, business development related costs, the impact of tax reform updates and a foreign currency remeasurement gain that is not expected to reoccur. The Company also presents constant currency information, which is a non-GAAP measure and excludes the impact of fluctuations in foreign currency exchange rates. The Company believes providing constant currency information provides valuable supplemental information regarding results of operations, consistent with how the Company evaluates performance. The Company calculates constant currency basis by converting the current-period local currency financial results using the prior period exchange rates and comparing these adjusted amounts to our current period reported results.

The Company has provided a reconciliation of the above non-GAAP financial measures to the most directly comparable GAAP financial measure. The Company believes these non-GAAP measures provide useful information to both management and investors to increase comparability of current period results to the prior period by adjusting for certain items that may not be indicative of core operating results and to better identify trends in our business. The adjusted financial results are used by management to, and allow investors to, evaluate the operating performance of the Company on a comparable basis. Management does not, nor should investors, consider such non-GAAP financial measures in isolation from, or as a substitution for, financial information prepared in accordance with GAAP.

EARNINGS CALL INFORMATION

The Company will host a conference call today at 8:30 a.m. Eastern Time to discuss these results and current business trends. The conference call will be broadcast live and accessible under the "Investor Relations" tab at www.wolverineworldwide.com. A replay of the conference call will be available at the Company's website for a period of approximately 30 days.

ABOUT WOLVERINE WORLDWIDE

With a commitment to service and product excellence, Wolverine World Wide, Inc. is one of the world's leading marketers and licensors of branded casual, active lifestyle, work, outdoor sport, athletic, children's and uniform footwear and apparel. The Company's portfolio of highly recognized brands includes: Merrell[®], Sperry[®], Hush Puppies[®], Saucony[®], Wolverine[®], Keds[®], Stride Rite[®], Chaco[®], Bates[®] and HYTEST[®]. The Company also is the global footwear licensee of the popular brands Cat[®] and Harley-Davidson[®]. The Company's products are carried by leading retailers in the U.S. and globally in approximately 170 countries and territories. For additional information, please visit our website, www.wolverineworldwide.com.

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements, including statements regarding: the Company's revenue growth during the rest of fiscal 2019 and focus on leveraging its strong liquidity and financial position to drive shareholder returns; and the Company's fiscal 2019 outlook and guidance. In addition, words such as "guidance," "estimates," "anticipates," "believes," "forecasts," "step," "plans," "predicts," "focused," "projects," "outlook," "is likely," "expects," "intends," "should," "will," "confident," variations of such words, and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties, and assumptions ("Risk Factors") that are difficult to predict with regard to timing, extent, likelihood, and degree of occurrence. Risk Factors include, among others: changes in general economic conditions, employment rates, business conditions, interest rates, tax policies and other factors affecting consumer spending in the markets and regions in which the Company's products are sold; the inability for any reason to effectively compete in global footwear, apparel and consumer-direct markets; the inability to maintain positive brand images and anticipate, understand and respond to changing footwear and apparel trends and consumer preferences; the inability to effectively manage inventory levels; increases or changes in duties, tariffs, quotas or applicable assessments in countries of import and export; foreign currency exchange rate fluctuations; currency restrictions; capacity constraints, production disruptions, quality issues, price increases or other risks associated with foreign sourcing; the cost and availability of raw materials, inventories, services and labor for contract manufacturers; labor disruptions; changes in relationships with, including the loss of, significant wholesale customers; risks related to the significant investment in, and performance of, the Company's consumer-direct operations; risks related to expansion into new markets and complementary product categories; the impact of seasonality and unpredictable weather conditions; changes in general economic conditions and/or the credit markets on the Company's distributors, suppliers and retailers; increases in the Company's effective tax rates; failure of licensees or distributors to meet planned annual sales goals or to make timely payments to the Company; the risks of doing business in developing countries, and politically or economically volatile areas; the ability to secure and protect owned intellectual property or use licensed intellectual property; the impact of regulation, regulatory and legal proceedings and legal compliance risks, including compliance with federal, state and local laws and regulations relating to the protection of the environment, environmental remediation and other related costs, and litigation or other legal proceedings relating to the protection of the environment or environmental effects on human health; the potential breach of the Company's databases or other systems, or those of its vendors, which contain certain personal information, payment card data or proprietary information, due to cyberattack or other similar event; problems affecting the Company's distribution system, including service interruptions at shipping and receiving ports; strategic actions, including new initiatives and ventures, acquisitions and dispositions, and the Company's success in integrating acquired businesses, and implementing new initiatives and ventures; the risk of impairment to goodwill and other intangibles; the success of the Company's restructuring and realignment initiatives; changes in future pension funding requirements and pension expenses; and additional factors discussed in the Company's reports filed with the Securities and Exchange Commission and exhibits thereto. The foregoing Risk Factors, as well as other existing Risk Factors and new Risk Factors that emerge from time to time, may cause actual results to differ materially from those contained in any forward-looking statements. Given these or other risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Furthermore, the Company undertakes no obligation to update, amend, or clarify forward-looking statements.

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WOLVERINE WORLD WIDE, INC.
CONSOLIDATED CONDENSED STATEMENTS OF OPERATIONS
(Unaudited)
(In millions, except earnings per share)

	Quarter Ended		Year-To-Date Ended	
	June 29, 2019	June 30, 2018	June 29, 2019	June 30, 2018
Revenue	\$ 568.6	\$ 566.9	\$ 1,092.0	\$ 1,101.0
Cost of goods sold	338.2	332.7	641.4	638.9
Gross profit	230.4	234.2	450.6	462.1
<i>Gross margin</i>	40.5%	41.3%	41.3%	42.0%
Selling, general and administrative expenses	168.7	163.3	332.7	327.0
Environmental and other related costs	6.2	2.8	10.0	5.5
Operating expenses	174.9	166.1	342.7	332.5
<i>Operating expenses as a % of revenue</i>	30.8%	29.3%	31.4%	30.2%
Operating profit	55.5	68.1	107.9	129.6
<i>Operating margin</i>	9.8%	12.0%	9.9%	11.8%
Interest expense, net	6.7	5.7	13.6	12.9
Other income, net	(1.0)	(5.3)	(2.3)	(5.9)
Total other expenses	5.7	0.4	11.3	7.0
Earnings before income taxes	49.8	67.7	96.6	122.6
Income tax expense	9.6	12.2	15.8	20.5
<i>Effective tax rate</i>	19.4%	18.1%	16.4%	16.8%
Net earnings	40.2	55.5	80.8	102.1
Less: net earnings attributable to noncontrolling interests	—	0.2	0.1	0.1
Net earnings attributable to Wolverine World Wide, Inc.	\$ 40.2	\$ 55.3	\$ 80.7	\$ 102.0
Diluted earnings per share	\$ 0.45	\$ 0.57	\$ 0.88	\$ 1.05
Supplemental information:				
Net earnings used to calculate diluted earnings per share	\$ 39.4	\$ 54.1	\$ 79.2	\$ 99.9
Shares used to calculate diluted earnings per share	88.3	95.0	90.1	95.3
Weighted average shares outstanding	87.4	94.9	89.2	95.3

WOLVERINE WORLD WIDE, INC.
CONSOLIDATED CONDENSED BALANCE SHEETS
(Unaudited)
(In millions)

	June 29, 2019	June 30, 2018
ASSETS		
Cash and cash equivalents	\$ 116.5	\$ 354.9
Accounts receivables, net	363.7	297.2
Inventories, net	406.5	293.8
Other current assets	42.6	36.3
Total current assets	929.3	982.2
Property, plant and equipment, net	138.2	130.4
Lease right-of-use assets, net	157.8	—
Goodwill and other indefinite-lived intangibles	1,043.0	1,031.5
Other non-current assets	174.6	156.2
Total assets	\$ 2,442.9	\$ 2,300.3
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable and other accrued liabilities	\$ 336.1	\$ 324.7
Lease liabilities	30.8	—
Current maturities of long-term debt	10.0	45.0
Borrowings under revolving credit agreements and other short-term notes	368.0	1.3
Total current liabilities	744.9	371.0
Long-term debt	433.0	615.6
Lease liabilities, noncurrent	146.0	—
Other non-current liabilities	263.8	298.4
Stockholders' equity	855.2	1,015.3
Total liabilities and stockholders' equity	\$ 2,442.9	\$ 2,300.3

WOLVERINE WORLD WIDE, INC.
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)
(In millions)

	Year-To-Date Ended	
	June 29, 2019	June 30, 2018
OPERATING ACTIVITIES:		
Net earnings	\$ 80.8	\$ 102.1
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	15.0	15.1
Deferred income taxes	(1.2)	0.9
Stock-based compensation expense	10.2	14.2
Pension contribution	—	(20.7)
Pension and SERP expense	2.8	3.0
Cash payments related to restructuring costs	(0.1)	(4.3)
Environmental and other related costs, net of cash payments	(3.5)	(3.4)
Other	(9.3)	7.9
Changes in operating assets and liabilities	(90.8)	(49.7)
Net cash provided by operating activities	3.9	65.1
INVESTING ACTIVITIES:		
Business acquisition, net of cash acquired	(15.1)	—
Additions to property, plant and equipment	(18.3)	(8.3)
Proceeds from sale of assets	—	1.7
Investment in joint ventures	(8.5)	—
Other	(0.5)	(0.8)
Net cash used in investing activities	(42.4)	(7.4)
FINANCING ACTIVITIES:		
Net borrowings under revolving credit agreements and other short-term notes	243.0	0.8
Payments on long-term debt	(2.5)	(122.6)
Payments of debt issuance and debt extinguishment costs	(0.3)	—
Cash dividends paid	(16.8)	(13.4)
Purchase of common stock for treasury	(207.4)	(49.9)
Employee taxes paid under stock-based compensation plans	(16.5)	(8.0)
Proceeds from the exercise of stock options	5.8	16.4
Contributions from noncontrolling interests	5.7	—
Net cash provided by (used in) financing activities	11.0	(176.7)
Effect of foreign exchange rate changes	0.9	(7.1)
Decrease in cash and cash equivalents	(26.6)	(126.1)
Cash and cash equivalents at beginning of the year	143.1	481.0
Cash and cash equivalents at end of the period	\$ 116.5	\$ 354.9

The following tables contain information regarding the non-GAAP financial measures used by the Company in the presentation of its financial results:

WOLVERINE WORLD WIDE, INC.

Q2 2019 RECONCILIATION TABLES

**RECONCILIATION OF REPORTED REVENUE
TO ADJUSTED REVENUE ON A CONSTANT CURRENCY BASIS***
(Unaudited)
(In millions)

	GAAP Basis 2019-Q2	Foreign Exchange Impact	Constant Currency Basis 2019-Q2	GAAP Basis 2018-Q2	Constant Currency Growth (Decline)	Reported Growth (Decline)
REVENUE						
Wolverine Michigan Group	\$ 318.2	\$ 3.3	\$ 321.5	\$ 314.1	2.4 %	1.3 %
Wolverine Boston Group	230.7	1.2	231.9	231.1	0.3	(0.2)
Other	19.7	0.1	19.8	21.7	(8.8)	(9.2)
Total	\$ 568.6	\$ 4.6	\$ 573.2	\$ 566.9	1.1 %	0.3 %

**RECONCILIATION OF REPORTED OPERATING MARGIN
TO ADJUSTED OPERATING MARGIN***
(Unaudited)
(In millions)

	GAAP Basis	Adjustments ⁽¹⁾	As Adjusted
Operating Profit - Fiscal 2019 Q2	\$ 55.5	\$ 7.8	\$ 63.3
<i>Operating margin</i>	9.8%		11.1%
Operating Profit - Fiscal 2018 Q2	\$ 68.1	\$ 2.8	\$ 70.9
<i>Operating margin</i>	12.0%		12.5%

⁽¹⁾ Q2 2019 adjustments reflect \$6.2 million of environmental and related costs and \$1.6 million of business development related costs. Q2 2018 adjustment reflects \$2.8 million of environmental and related costs.

**RECONCILIATION OF REPORTED DILUTED EPS
TO ADJUSTED DILUTED EPS***
(Unaudited)

	GAAP Basis		Adjustments ⁽¹⁾		As Adjusted
EPS - Fiscal 2019 Q2	\$	0.45	\$	0.07	\$ 0.52
EPS - Fiscal 2018 Q2	\$	0.57	\$	(0.03)	\$ 0.54

⁽¹⁾ Q2 2019 adjustments reflect the impact of environmental and related costs and business development related costs. Q2 2018 adjustments include the impact of environmental and related costs and a foreign currency remeasurement gain that is not expected to reoccur.

2019 GUIDANCE RECONCILIATION TABLES

**RECONCILIATION OF REPORTED REVENUE GUIDANCE
TO ADJUSTED REVENUE GUIDANCE ON A CONSTANT CURRENCY BASIS***
(Unaudited)
(In millions)

	GAAP Basis 2019	Foreign Exchange Impact		Constant Currency Basis 2019	GAAP Basis 2018	Constant Currency Growth	Reported Growth
Revenue - Q3 and Q4	\$ 1,190.0	\$ 8.0	\$	1,198.0	\$ 1,138.2	5.3%	4.6%

**RECONCILIATION OF FISCAL 2019 FULL-YEAR REPORTED OPERATING MARGIN
GUIDANCE TO ADJUSTED OPERATING MARGIN GUIDANCE***
(Unaudited)
(In millions)

	GAAP Basis Full-Year Operating Margin	Adjustment ⁽¹⁾	As Adjusted Full-Year Operating Margin
Operating Margin Guidance	11.0%	1.0%	12.0%

⁽¹⁾ Adjustment includes the impact of estimated environmental and related costs and estimated costs related to business development activities.

**RECONCILIATION OF FISCAL 2019 FULL-YEAR DILUTED EPS
GUIDANCE TO ADJUSTED DILUTED EPS GUIDANCE***
(Unaudited)

	GAAP Basis Full-Year		Adjustment ⁽¹⁾		As Adjusted Full-Year
Diluted earnings per share guidance	\$	2.06	\$	0.22	\$ 2.28

⁽¹⁾ Adjustment includes the impact of estimated environmental and related costs, estimated costs related to business development activities and the impact of tax reform.

* To supplement the consolidated condensed financial statements presented in accordance with Generally Accepted Accounting Principles ("GAAP"), the Company describes what certain financial measures would have been if environmental and other related costs, business development related costs, the impact of tax reform updates and a foreign currency remeasurement gain that is not expected to reoccur were excluded. The Company believes these non-GAAP measures provide useful information to both management and investors to increase comparability to the prior period by adjusting for certain items that may not be indicative of core operating measures and to better identify trends in our business. The adjusted financial results are used by management to, and allow investors to, evaluate the operating performance of the Company on a comparable basis.

The constant currency presentation, which is a non-GAAP measure, excludes the impact of fluctuations in foreign currency exchange rates. The Company believes providing constant currency information provides valuable supplemental information regarding results of operations, consistent with how the Company evaluates performance. The Company calculates constant currency by converting the current-period local currency financial results using the prior period exchange rates and comparing these adjusted amounts to our current period reported results.

Management does not, nor should investors, consider such non-GAAP financial measures in isolation from, or as a substitution for, financial information prepared in accordance with GAAP. A reconciliation of all non-GAAP measures included in this press release, to the most directly comparable GAAP measures are found in the financial tables above.