

Edgar Filing: FINISHMASTER INC - Form 10-Q

FINISHMASTER INC  
Form 10-Q  
May 14, 2001

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For The Quarter Ended March 31, 2001

Commission File Number 0-23222

FINISHMASTER, INC.  
(Exact Name of Registrant as Specified in its Charter)

Indiana  
(State or other Jurisdiction of  
Incorporation or Organization)

38-2252096  
(I.R.S. Employer  
Identification Number)

54 Monument Circle, Suite 600, Indianapolis, IN  
(Address of principal executive offices)

46204  
(Zip Code)

Registrant's Telephone Number, including area code: (317) 237-3678

Indicate by check mark whether the registrant (1) has filed all annual, quarterly and other reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months and (2) has been subject to the filing requirements for at least the past 90 days.

Yes X                      No  
-----                      -----

On May 1, 2001, there were 7,540,804 shares of the Registrant's common stock outstanding.

FINISHMASTER, INC.  
FORM 10-Q  
For the Quarter Ended March 31, 2001

TABLE OF CONTENTS

	PAGE
Part I. Financial Information	3
Item 1. Financial Statements	
Condensed Consolidated Balance Sheets (unaudited)	3

## Edgar Filing: FINISHMASTER INC - Form 10-Q

Condensed Consolidated Statements of Operations (unaudited)	4
Condensed Consolidated Statements of Cash Flows (unaudited)	5
Notes to Condensed Consolidated Financial Statements (unaudited)	6
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	8
Part II. Other Information	12
Item 6. Exhibits and Reports on Form 8-K	12
Signatures	13

### PART I. FINANCIAL STATEMENTS

#### FINISHMASTER, INC.

#### CONDENSED CONSOLIDATED BALANCE SHEETS (in thousands, except per share data)

	March 31 2001
	(unaudited)
<b>ASSETS</b>	
Current Assets	
Cash	\$
Accounts receivable, net of allowance for doubtful accounts of \$1,490 and \$1,337, respectively	3
Inventory	5
Refundable income taxes	
Deferred income taxes	
Prepaid expenses and other current assets	
Total Current Assets	10
Property and Equipment, net	
Other Assets	
Intangible assets, net	10
Deferred income taxes	
Other	
	10
	\$ 21
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	
Current Liabilities	

Edgar Filing: FINISHMASTER INC - Form 10-Q

Accounts payable	\$	5
Amounts due to LDI		
Accrued compensation and benefits		
Accrued expenses and other current liabilities		
Current maturities of long-term debt		
		-----
Total Current Liabilities		6
Long-Term Debt, less current maturities		8
Other Long-Term Liabilities		
SHAREHOLDERS' EQUITY		
Preferred stock, no par value, 1,000,000 shares authorized; no shares issued or outstanding		
Common stock, \$1 stated value, 25,000,000 shares authorized; 7,540,804 and 7,540,804 shares issued and outstanding		
Additional paid-in capital		2
Other comprehensive income (loss)		
Retained earnings		2
		-----
		5
		-----
	\$	21
		=====

(1) The year-end condensed balance sheet data was derived from audited financial statements, but does not include all disclosures required by generally accepted accounting principles.

The accompanying notes are an integral part of the condensed consolidated financial statements.

FINISHMASTER, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
(in thousands, except per share data)  
(unaudited)

	Three Months Ended March 31,	
	2001	2000
	-----	-----
Net Sales	\$ 83,235	\$ 84,
Cost of Sales	52,882	54,
	-----	-----
Gross Margin	30,353	29,
	-----	-----
Expenses		
Operating	13,339	13,
Selling, general and administrative	10,871	10,
Amortization of intangible assets	1,348	1,
	-----	-----

Edgar Filing: FINISHMASTER INC - Form 10-Q

	25,558	25,
	-----	-----
Income from Operations	4,795	4,
Interest Expense, net	2,308	2,
	-----	-----
Income Before Income Taxes and Extraordinary Loss	2,487	1,
Income Tax Expense	1,153	
	-----	-----
Net Income Before Extraordinary Loss	1,334	
Extraordinary Loss on Early Extinguishments of Debt, net of income tax benefit of \$324	495	
	-----	-----
Net Income	\$ 839	\$
	=====	=====
Net Income per Share - Basic and Diluted		
Net Income before extraordinary loss	\$ 0.18	\$ 0
Extraordinary loss, net of income taxes	0.07	
	-----	-----
Net income	\$ 0.11	\$ 0
	=====	=====
Weighted Average Shares Outstanding - Basic	7,541	7,
	=====	=====
Weighted Average Shares Outstanding - Diluted	7,556	7,
	=====	=====

The accompanying notes are an integral part of the condensed consolidated financial statements.

FINISHMASTER, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
(in thousands)  
(unaudited)

	Three Months March 31,	
	-----	
	2001	
	-----	
Operating Activities		
Net income	\$	839
Adjustments to reconcile net income to net cash provided by operating activities:		

## Edgar Filing: FINISHMASTER INC - Form 10-Q

Depreciation and amortization	3,443
Changes in operating assets and liabilities (excluding the impact of acquisition):	
Accounts receivable, net	(1,076)
Inventories	6,217
Prepaid expenses and other assets	1,050
Accounts payable and other liabilities	4,544
	-----
Net Cash Provided by Operating Activities	15,017
 Investing Activities	
Business acquisitions and payments under earn-out provisions of prior acquisition agreements	(30)
Purchases of property and equipment	(215)
	-----
Net Cash Used in Investing Activities	(245)
 Financing Activities	
Debt issuance costs	(1,138)
Proceeds from debt	86,574
Repayment of debt	(92,763)
	-----
Net Cash Provided by (Used In) Financing Activities	(7,327)
	-----
 Increase in Cash	7,445
Cash at Beginning of Period	1,513
	-----
Cash at End of Period	\$ 8,958
	=====

The accompanying notes are an integral part of the condensed consolidated financial statements.

FINISHMASTER, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 1. ORGANIZATION

**Basis of Presentation:** The interim financial statements are unaudited but, in the opinion of management, reflect all adjustments necessary for a fair presentation of financial position, results of operations and cash flows for the periods presented. These adjustments consist of normal recurring items. The results of operations for any interim period are not necessarily indicative of results for the full year. The condensed consolidated financial statements and notes are presented as permitted by the requirements for Form 10-Q and do not contain certain information included in the Company's annual consolidated financial statements and notes. This Form 10-Q should be read in conjunction with the Company's consolidated financial statements and notes included in its 2000 Annual Report on Form 10-K.

**Nature of Business:** FinishMaster, Inc. ("the Company" or "FinishMaster") is the leading national distributor of automotive paints, coatings, and paint-related accessories to the automotive collision repair industry. As of March 31, 2001, the Company operated 156 sales outlets and three major distribution centers in 22 states and is organized into two major geographical divisions - East and West. The Company aggregates its two geographic divisions into a single

## Edgar Filing: FINISHMASTER INC - Form 10-Q

reportable segment. The Company has over 35,000 customers to which it provides a comprehensive selection of brand name products supplied by BASF, DuPont, 3M and PPG, in addition to its own FinishMaster Private Brand refinishing accessory products. The Company is highly dependent on the key suppliers outlined above, which account for approximately 85% of the Company's purchases.

**Principles of Consolidation:** The Company's consolidated financial statements include the accounts of FinishMaster and its wholly owned subsidiaries from the dates of their respective acquisition. All significant inter-company accounts and transactions have been eliminated. References to the Company or FinishMaster throughout this report relate to the consolidated entity.

**Majority Shareholder:** Lacy Distribution, Inc. ("Distribution"), an Indiana corporation, is a wholly-owned subsidiary of LDI, Ltd. ("LDI"), an Indiana limited partnership, and is the majority shareholder of the Company with 5,587,516 shares of common stock, representing 74.1% of the outstanding shares at March 31, 2001. LDI and Distribution are collectively referred to herein as "LDI."

**Use of Estimates:** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Derivative Instruments and Hedging Activities:** The Company utilizes derivative financial instruments, principally interest rate swaps, to reduce its exposure to fluctuations in interest rates. These instruments are recorded on the balance sheet at their fair value. Changes in the fair value are recorded each period in the other comprehensive income (loss) section of shareholders' equity.

**Shipping and Handling Fees and Costs:** The Company includes the cost of delivering the product to the customer in the operating expense section of the consolidated statements of operations. Total delivery costs primarily include wages, benefits, vehicle costs, and freight. The total delivery costs incurred for the first quarter ended March 31, 2001 and 2000, are estimated at \$4,325,000, and \$4,405,000, respectively.

**Reclassification:** Certain amounts in the consolidated financial statements have been reclassified to conform to the current year presentation.

### 2. ACQUISITIONS

No acquisitions were completed during the three months ended March 31, 2001.

### 3. NET INCOME PER SHARE

The following table sets forth the computation of basic and diluted net income per share:

(in thousands, except per share data)	Three Months Ended March 31,	
	2001	2000
	-----	-----
	-----	-----

## Edgar Filing: FINISHMASTER INC - Form 10-Q

Numerator:		
Net Income	\$ 839	\$ 904
	=====	=====
Denominator:		
Basic-weighted average shares	7,541	7,538
Effect of dilutive stock options	15	34
	-----	-----
Diluted-weighted average shares	7,556	7,572
	=====	=====
Basic net income per share	\$ 0.11	\$ 0.12
	=====	=====
Diluted net income per share	\$ 0.11	\$ 0.12
	=====	=====

#### 4. COMMITMENTS AND CONTINGENCIES

The Company is dependent on four main suppliers for the purchases of the paint and related supplies that it distributes. A loss of one of the suppliers or a disruption in the supply of the products provided could have a material adverse effect on the Company's operating results. The suppliers also provide purchase discounts, prompt payment discounts, extended terms, and other incentive programs to the Company. To the extent these programs are changed or terminated, there could be a material adverse impact to the Company.

The Company is subject to various claims and contingencies arising out of the normal course of business, including those relating to commercial transactions, environmental, product liability, automobile, taxes, discrimination, employment and other matters. Management believes that the ultimate liability, if any, in excess of amounts already provided or covered by insurance, is not likely to have a material adverse effect on the Company's financial condition, results of operations or cash flows.

#### 5. EARLY EXTINGUISHMENT OF DEBT

On March 29, 2001, the Company entered into a new senior secured credit facility with a syndicate of banks and a new senior subordinated term credit facility with LDI. The use of the proceeds from these facilities was used to repay the Company's existing senior secured and senior subordinated credit facilities prior to their original expiration dates. An extraordinary loss on the early extinguishment of debt of \$0.5 million, net of \$0.3 million in income tax benefit, results from the write-off of the unamortized debt issuance costs related to these expired facilities.

#### 6. LONG-TERM DEBT

On March 29, 2001, the Company entered into a new \$100.0 million senior secured credit facility with a syndicate of banks and a new \$20.0 million senior subordinated term credit facility with LDI. The new senior secured credit facility consists of a \$40.0 million term credit facility and a \$60.0 million revolving credit facility. The term credit facility, which expires on June 30, 2006, requires quarterly principal payments that increase in amount over the term of the loan. Quarterly principal payments begin on June 30, 2001, and are \$1.0 million per quarter in 2001. The revolving credit facility is limited to the lesser of (1) \$60.0 million less letter of credit obligations, or (2) 80 percent of eligible accounts receivable plus 65 percent of eligible inventory less letter of credit obligations and a reserve for three months facility rent. Principal is due on June 30, 2006. Both the revolving credit and term facilities are subject to interest rates, which fluctuate based on the Company's Leverage Ratio, as defined in the Credit Facility, which range from 1.75% to 2.75% over LIBOR or 0.00% to 0.75% over prime. For a period of six months after the close

## Edgar Filing: FINISHMASTER INC - Form 10-Q

of the transaction, the interest rate is fixed at LIBOR plus 3.00%.

To convert the Company's new senior term credit facility from a floating to a fixed interest rate obligation, the Company entered into interest rate swap agreements with notional amounts of \$40.0 million. The weighted average fixed interest rate under these agreements is 5.43%. The current period change in the fair value of the interest rate swap was (\$0.4) million, which was recorded in the other comprehensive income (loss) section of shareholders' equity.

Concurrent with funding the senior secured credit facility, the Company repaid its \$30.0 million senior subordinated term credit facility and entered into a new \$20.0 million senior subordinated term credit facility with LDI. All outstanding principal is due on March 29, 2007, and interest is payable quarterly at a rate of 12.0% per annum.

### ITEM 2

#### MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

##### Three Months Ended March 31,

(In thousands)	2001	Change	2000
Net sales	\$ 83,235	(1.7%)	\$ 84,670

Net sales for the first quarter decreased \$1.4 million, or 1.7%, due to a "same store sales" decline of approximately \$1.8 million, or 2.2%, partially offset by the full quarter sales effect of prior year acquisitions. The Company experienced soft market conditions throughout most of its distribution network. Factors leading to the softening in demand include slower overall economic conditions; inclement weather conditions in the Northeastern United States; ongoing drought conditions in Florida; and continued productivity improvements in the use of automotive paint by our customers. A reduction in vendor supported marketing programs used to attract and retain customers' also impacted sales.

##### Three Months Ended March 31,

(In thousands)	2001	Change	2000
Gross margin	\$ 30,353	1.4%	\$ 29,933
Percentage of net sales	36.5%		35.4%

Gross margin increased \$0.4 million, or 1.4%. Gross margin as a percentage of net sales increased from 35.4% to 36.5%, positively impacting margin by \$0.9 million. Lower net sales volume negatively impacted margin by approximately \$0.5 million. The improvement in margin as a percentage of net sales is primarily the result of large inventory purchases made prior to manufacturers' price increases. Margin can be affected by purchasing opportunities presented to the Company by its vendors. The Company's ability to maintain the strong margin realized in the first quarter is dependent upon the availability of favorable purchasing programs from its vendors and its ability to recover future vendor price increases from its customers.

##### Three Months Ended March 31,

(In thousands)	2001	Change	2000
----------------	------	--------	------



Edgar Filing: FINISHMASTER INC - Form 10-Q

Operating expenses	\$ 13,339	(0.8%)	\$ 13,447
Percentage of net sales	16.0%		15.9%

Operating expenses consist of wages, facility, vehicle and related costs for the Company's branch and distribution locations. Operating expenses decreased \$0.1 million, or 0.8%, as a result of lower labor and supplies costs. Partially offsetting these items were higher utility, freight, and vehicle expenses due to increased energy costs for gasoline, natural gas and electricity.

Three Months Ended March 31,

(In thousands)	2001	Change	2000
Selling, general and administrative expenses	\$ 10,871	5.3%	\$ 10,326
Percentage of net sales	13.1%		12.2%

Selling, general and administrative expenses ("SG&A") consist of costs associated with the Company's corporate support staff, and expenses for commissions, wages, and customer sales support activities. SG&A expenses increased \$0.5 million, or 5.3%, primarily due to higher labor and employee benefit costs, higher bank charges, and increased costs associated with attracting and retaining customers.

Three Months Ended March 31,

(In thousands)	2001	Change	2000
Amortization of intangible assets	\$ 1,348	(11.1%)	\$ 1,517
Percentage of net sales	1.6%		1.8%

Amortization expense decreased \$0.2 million, or 11.1%, as a result of certain intangible assets, principally non-compete agreements, becoming fully amortized.

Three Months Ended March 31,

(In thousands)	2001	Change	2000
Interest expense, net	\$ 2,308	(20.1%)	\$ 2,888
Percentage of net sales	2.8%		3.4%

Interest expense decreased \$0.6 million, or 20.1%, due primarily to the lower average outstanding borrowings. Average outstanding borrowings were approximately \$25.7 million lower in the first quarter of 2001 compared to the prior year period.

## Edgar Filing: FINISHMASTER INC - Form 10-Q

Three Months Ended March 31,

(In thousands)	2001	Change	2000
Income tax expense	\$ 1,153	35.5%	\$ 851
Percentage of net sales	1.4%		1.0%
Effective tax rate	46.4%		48.5%

Income tax expense increased \$0.3 million, or 35.5% due primarily to higher income before income taxes and extraordinary loss. The effective tax rate varied from the federal statutory rate as a result of certain expenses, principally nondeductible intangible amortization. In 2000, the Company's effective tax rate for the year was 53.2%. The lower projected rate for 2001 is reflective of higher anticipated full year income before income taxes and consistent levels of nondeductible items.

Three Months Ended March 31,

(In thousands)	2001	Change	2000
Extraordinary loss, net	\$ 495	N/A	\$ -
Percentage of net sales	0.6%		

An extraordinary loss on the early extinguishment of debt of \$0.5 million, net of \$0.3 million in income tax benefit, resulted from the write-off of the unamortized debt issuance costs related to the early extinguishment of the Company's senior secured and senior subordinated credit facilities. See Note 5.

Three Months Ended March 31,

(In thousands, except per share data)	2001	Change	2000
Net income	\$ 839	(7.2%)	\$ 904
Percentage of net sales	1.0%		1.1%
Net income per share - Diluted	\$ 0.11		\$ 0.12

Factors contributing to the changes in net income and the related per share amounts are discussed in the detail above.

### Seasonality and Quarterly Fluctuations

The Company's sales and operating results have varied from quarter to quarter due to various factors and the Company expects these fluctuations to continue. Among these factors are seasonal buying patterns of the Company's customers and the timing of acquisitions. Historically, sales have slowed in the late fall and winter of each year largely due to inclement weather and the reduced number of business days during the holiday season. In addition, the timing of acquisitions may cause substantial fluctuations of operating results from quarter to quarter. The Company takes advantage of periodic special incentive programs available from its suppliers that extend the due date of inventory purchases beyond terms normally available with large volume purchases. The timing of these programs can contribute to fluctuations in the Company's quarterly cash flows. Although the Company continues to investigate strategies to smooth the seasonal pattern of

## Edgar Filing: FINISHMASTER INC - Form 10-Q

its quarterly results of operations, there can be no assurance that the Company's net sales, results of operations and cash flows will not continue to display seasonal patterns.

### Financial Condition, Liquidity and Capital Resources

(In thousands)	March 31, 2001	December 31, 2000
Working capital	\$ 36,781	\$ 35,209
Long-term debt	\$ 89,458	\$ 90,652

Three Months Ended March 31,		
(In thousands)	2001	2000
Cash provided by operating activities	\$ 15,017	\$ 225
Cash used in investing activities	\$ (245)	\$ (1,905)
Cash provided by (used in) financing activities	\$ (7,327)	\$ 2,085

The Company's primary sources of funds are from operations and borrowings under its credit facilities. The Company's principal uses of cash are to fund working capital, capital expenditures, acquisitions, and the repayment of outstanding borrowings.

Net cash generated from operating activities was \$15.0 million in the first quarter of 2001 compared with \$0.2 million in 2000. This increase was the result of a positive change in operating assets and liabilities, primarily accounts payable and other liabilities. The increase in cash flows from accounts payable and other liabilities resulted from differences in payment terms between years on large end of year inventory purchases.

Net cash used in investing activities, primarily for acquisitions, was \$0.2 million in the first quarter of 2001, down from \$1.9 million in 2000. No acquisitions were completed in the current year period while three were completed in the prior year period.

Net cash used by financing activities, primarily the repayment of borrowings, was \$7.3 million in the quarter ended March 31, 2001, compared to net cash provided of \$2.1 million in the prior year period. The increase in net debt repayments was a result of improved working capital management and favorable payment terms provided by our vendors on end of year inventory purchases. Use of cash for debt issuance costs related to the new credit facilities was \$1.1 million.

Total capitalization at March 31, 2001, was \$152.8 million, comprised of \$95.5 million of debt and \$57.3 million of equity. Debt as a percentage of total capitalization was 62.5% at March 31, 2001 compared to 64.1% at December 31, 2000.

On March 29, 2001, the Company entered into a new \$100.0 million senior secured credit facility with a syndication of banks and a new \$20.0 million senior subordinated term credit facility with LDI. The new senior secured credit facility consists of a \$40.0 million term credit facility and a \$60.0 million revolving credit facility. The term credit facility, which expires on June 30, 2006, requires quarterly principal payments that increase in amount over the term of the loan. Quarterly principal payments begin on June 30, 2001, and are \$1.0 million per quarter in 2001. The revolving credit facility is limited to

## Edgar Filing: FINISHMASTER INC - Form 10-Q

the lesser of (1) \$60.0 million less letter of credit obligations, or (2) 80 percent of eligible accounts receivable plus 65 percent of eligible inventory less letter of credit obligations and a reserve for three months facility rent. Principal is due on June 30, 2006. Both the revolving credit and term facilities are subject to interest rates, which fluctuate based on the Company's Leverage Ratio, as defined in the Credit Facility, which range from 1.75% to 2.75% over LIBOR or 0.00% to 0.75% over prime. For a period of six months after the close of the transaction, the interest rate is fixed at LIBOR plus 3.00%.

To convert the Company's new senior term credit facility from a floating to a fixed interest rate obligation, the Company entered into interest rate swap agreements with notional amounts of \$40.0 million. The weighted average fixed interest rate under these agreements is 5.43%. The current period change in the fair value of the interest rate swap was (\$0.4) million, which was recorded in the Other Comprehensive Income (Loss) section of Shareholders' Equity.

Concurrent with funding the senior secured credit facility, the Company repaid its \$30.0 million senior subordinated term credit facility and entered into a new \$20.0 million senior subordinated term credit facility with LDI. All outstanding principal is due on March 29, 2007, and interest is payable quarterly at a rate of 12.0% per annum.

The Company was in compliance with the covenants underlying its credit facilities, and had estimated availability under its revolving credit facilities of \$38.5 million as of May 1, 2001, based upon the March 31, 2001 borrowing base calculation.

Based on current and projected operating results and giving effect to total indebtedness, the Company believes that cash flow from operations and funds available from lenders and other creditors will provide adequate funds for ongoing operations, debt service and planned capital expenditures.

### Forward-Looking Statements

This Report contains certain forward-looking statements pertaining to, among other things, the Company's future results of operations, cash flow needs and liquidity, acquisitions, and other aspects of its business. The Company may make similar forward-looking statements from time to time. These statements are based largely on the Company's current expectations and are subject to a number of risks and uncertainties. Actual results could differ materially from these forward-looking statements. Important factors to consider in evaluating such forward-looking statements include changes in external market factors, changes in the Company's business strategy or an inability to execute its strategy due to changes in its industry or the economy generally, difficulties associated with assimilating acquisitions, the emergence of new or growing competitors, seasonal and quarterly fluctuations, governmental regulations, the potential loss of key suppliers, and various other competitive factors. In light of these risks and uncertainties, there can be no assurance that the future developments described in the forward-looking statements contained in this Report will in fact occur.

## Part II - OTHER INFORMATION

### Item 6. Exhibits and Reports on Form 8-K

- (a) Exhibits. The following exhibits, unless otherwise indicated, have been

## Edgar Filing: FINISHMASTER INC - Form 10-Q

filed as exhibits to documents otherwise filed by the Registrant, and are hereby incorporated by reference.

Exhibit No.	Description of Document
2.1	Agreement and Plan of Merger, dated as of October 14, 1997, by and among FinishMaster, Inc., FMST Acquisition Corporation and Thompson PBE, Inc. (incorporated by reference to Exhibit (c)(2) of Schedule 14D-1 previously filed by FMST Acquisition Corporation on October 21, 1997).
2.2	Agreement and Plan of Merger, dated February 16, 1998, by and among FinishMaster, Inc., LDI AutoPaints, Inc. and Lacy Distribution, Inc. (previously filed with Form 10-K dated March 31, 1998)
3.1	Articles of Incorporation of FinishMaster, Inc., an Indiana corporation, as amended June 30, 1998 (previously filed with Form 10-Q dated August 14, 1998)
3.2	Amended and Restated Code of Bylaws of FinishMaster, Inc., an Indiana corporation (previously filed with Form 10-K/A dated April 14, 1998)
10.1	FinishMaster, Inc. Stock Option Plan (Amended and Restated as of April 29, 1999) (previously filed with Registrant's proxy statement on Schedule 14A dated April 9, 1999)
10.2	FinishMaster, Inc. Deferred Compensation Plan dated as of November 1, 2000 (previously filed with Registrant's proxy statement on Schedule 14A dated April 9, 2001)
21	Subsidiaries of the Registrant (previously filed with Form 10K dated March 29, 2001)
99(a)*	Credit Agreement, dated as of March 29, 2001, among FinishMaster, Inc., the Institutions from Time to Time Parties Thereto as Lenders and National City Bank of Indiana, as Agent.
99(b)*	Subordinated Note Agreement, dated as of March 29, 2001, by and between FinishMaster, Inc. and LDI, Ltd.
(b)	Reports on Form 8-K. There were no reports on Form 8-K filed in the quarter ended March 31, 2001.

\*filed herein

### SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

Edgar Filing: FINISHMASTER INC - Form 10-Q

Date May 10, 2000

FINISHMASTER, INC.

By: /s/ Wesley N. Dearbaugh

-----  
Wesley N. Dearbaugh  
President and Chief Operating Officer

By: /s/ Robert R. Millard

-----  
Robert R. Millard  
Senior Vice President and  
Chief Financial Officer