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

Amendment No. 1

to

FORM 8-K/A

CURRENT REPORT
Pursuant To Section 13 OR 15(d) Of The Securities Exchange Act of 1934

Date of report (Date of earliest event reported) **October 26, 2012**

PATRICK INDUSTRIES, INC.
(Exact name of registrant as specified in its charter)

Indiana	**000-03922**	**35-1057796**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification Number)

107 West Franklin, P.O. Box 638, Elkhart, Indiana	**46515**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's Telephone Number, including area code **(574) 294-7511**

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

[ ] 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 2.01 Completion of Acquisition or Disposition of Assets.

Patrick Industries, Inc. (the "Company") filed a Current Report on Form 8-K with the Securities and Exchange Commission ("SEC") on October 30, 2012, disclosing that on October 26, 2012 (the "acquisition date"), the Company had acquired certain assets of Middlebury Hardwood Products, Inc. and Affiliate (collectively, "Middlebury Hardwoods"), a Middlebury, Indiana-based manufacturer and distributor of hardwood cabinet doors, components, fascia and other hardwood products for the recreational vehicle, manufactured housing, and residential kitchen cabinet industries for a purchase price, net of certain operating liabilities assumed, of approximately $20.3 million in cash. Subsequent to the acquisition date, the net cash purchase price decreased by approximately $0.5 million to approximately $19.8 million reflecting certain working capital adjustments. The purpose of this Current Report on Form 8-K/A (Amendment No. 1) is to amend the Current Report on Form 8-K to include the financial statements and pro forma financial information required by Item 9.01.

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Businesses Acquired.

(i) The consolidated financial statements of Middlebury Hardwood Products, Inc. and Affiliate as of December 31, 2011 and for the year then ended and independent auditor's report are attached hereto as Exhibit 99.1 and are incorporated herein by reference.

(ii) Unaudited condensed consolidated financial statements of Middlebury Hardwood Products, Inc. and Affiliate as of September 29, 2012 and December 31, 2011, and for the nine months ended September 29, 2012 and October 1, 2011 are attached hereto as Exhibit 99.2 and are incorporated herein by reference.

(b) Pro Forma Financial Information.

The unaudited pro forma financial information as of September 30, 2012 and for the year ended December 31, 2011, and for the nine months ended September 30, 2012 of Patrick Industries, Inc. and Middlebury Hardwood Products, Inc. and Affiliate on a condensed combined basis is attached hereto as Exhibit 99.3 and is incorporated herein by reference.

(c) Not Applicable.

(d) The following exhibits are included with this report:

Exhibit 2.1 Asset Purchase Agreement, dated as of October 26, 2012, between Patrick Industries, Inc., Middlebury Hardwood Products, Inc. and its Shareholders (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K filed by the Company with the SEC on October 30, 2012).*

Exhibit 23.1 Consent of McGladrey LLP

Exhibit 99.1 Consolidated Financial Statements of Middlebury Hardwood Products, Inc. and Affiliate as of December 31, 2011 and for the year then ended and independent auditor's report.

Exhibit 99.2 Unaudited condensed consolidated financial statements of Middlebury Hardwood Products, Inc. and Affiliate as of September 29, 2012 and December 31, 2011, and for the nine months ended September 29, 2012 and October 1, 2011.

Exhibit 99.3 Unaudited pro forma financial information as of September 30, 2012 and for the year ended December 31, 2011, and for the nine months ended September 30, 2012 of Patrick Industries, Inc. and Middlebury Hardwood Products, Inc. and Affiliate on a condensed combined basis.

*Pursuant to Item 601(b) of Regulation S-K, certain Exhibits and Schedules have been omitted from this Agreement. The registrant will furnish a copy of any omitted Exhibit and Schedule to the Commission upon request.

SIGNATURE

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.

PATRICK INDUSTRIES, INC.
(Registrant)

Date: January 11, 2013

BY: /s/ Andy L. Nemeth
Andy L. Nemeth
Executive Vice President – Finance and
Chief Financial Officer

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

To the Board of Directors
Patrick Industries, Inc.
Elkhart, Indiana

We consent to the incorporation by reference in the Registration Statements (333-156391, 333-159553, 333-174774 and 333-178509) on Form S-3, and the Registration Statements (333-145717 and 333-165788) on Form S-8, of our report dated January 7, 2013 relating to the consolidated financial statements of Middlebury Hardwood Products, Inc. and Affiliate as of and for the year ended December 31, 2011 appearing in this Current Report on Form 8-K/A of Patrick Industries, Inc.

/s/ McGladrey LLP

Elkhart, Indiana
January 11, 2013

EXHIBIT 99.1

Middlebury Hardwood Products, Inc.
And Affiliate

Consolidated Financial Report
12.31.2011

Contents

McGladrey

Independent Auditor's Report

To the Board of Directors
Middlebury Hardwood Products, Inc.
Middlebury, Indiana

We have audited the accompanying consolidated balance sheet of **Middlebury Hardwood Products, Inc. and Affiliate** as of December 31, 2011, and the related consolidated statements of income, stockholders' equity, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with accounting standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statement referred to above present fairly, in all material respects, the financial position of **Middlebury Hardwood Products, Inc. and Affiliate** as of December 31, 2011, and the results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

/s/ McGladrey LLP

Elkhart, Indiana
January 7, 2013

Middlebury Hardwood Products, Inc. And Affiliate

Consolidated Balance Sheet
December 31, 2011

ASSETS		
Current Assets		
Cash	$	5,098
Cash held by IPIC		99,663
Trade receivables		643,079
Inventories		1,823,687
Prepaid expenses		126,823
Total current assets		2,698,350
Property and Equipment, at depreciated cost		4,754,255
Property and Equipment held by IPIC, at depreciated cost		876,680
	$	8,329,285
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Note payable, bank	$	1,134,564
Current maturities of long-term debt		525,000
Current maturities of long-term debt held by IPIC		64,250
Current maturities of note payable, stockholder		300,000
Accounts payable		992,951
Accrued expenses		598,506
Total current liabilities		3,615,271
Long-Term Debt, less current maturities		1,408,457
Long-Term Debt, less current maturities held by IPIC		719,720
Note Payable, stockholder, less current maturities		1,013,500
Commitments and Contingencies		
Stockholders' Equity		
Common stock		124,200
Additional paid-in capital		743,065
Retained earnings		512,699
Noncontrolling interest		192,373
		1,572,337
	$	8,329,285

See Notes to Consolidated Financial Statements.

Middlebury Hardwood Products, Inc. And Affiliate

Consolidated Statement Of Income
Year Ended December 31, 2011

Net sales	$	32,323,112
Cost of goods sold		28,633,297
Gross profit		3,689,815
Operating expenses:		
Selling and delivery		858,015
General and administrative		1,220,321
		2,078,336
Operating income		1,611,479
Interest expense		(288,627)
Consolidated net income		1,322,852
Less: Noncontrolling interest in net incomeof consolidated variable interest entity		(156,263)
Net income attributable to the controlling interest	$	1,166,589

See Notes to Consolidated Financial Statements.

Middlebury Hardwood Products, Inc. And Affiliate

Consolidated Statement Of Stockholders' Equity
Year Ended December 31, 2011

	Common Stock	Additional Paid-in Capital	Retained Earnings (Deficit)	Noncontrolling Interest	Total
Balance, December 31, 2010	$ 124,200	$ 743,065	$ (467,590)	$ 100,124	$ 499,799
Net income	-	-	1,166,589	156,263	1,322,852
Distributions	-	-	(186,300)	(64,014)	(250,314)
Balance, December 31, 2011	$ 124,200	$ 743,065	$ 512,699	$ 192,373	$ 1,572,337

See Notes to Consolidated Financial Statements.

Middlebury Hardwood Products, Inc. And Affiliate

Consolidated Statement Of Cash Flows
Year Ended December 31, 2011

Cash Flows From Operating Activities	
Consolidated net income	$ 1,322,852
Adjustments to reconcile consolidated net income to net cash provided by operating activities:	
Depreciation	795,232
Amortization	4,044
Change in assets and liabilities:	
Decrease (increase) in:	
Receivables	(409,284)
Inventories	140,336
Prepaid expenses	(32,738)
(Decrease) in:	
Accounts payable	(296,312)
Accrued expenses	(33,554)
Net cash provided by operating activities	1,490,576
Cash Flows From Investing Activities	
Purchase of property and equipment	(1,544,624)
Net cash (used in) investing activities	(1,544,624)
Cash Flows From Financing Activities	
Net borrowings under revolving credit agreement	391,076
Principal payments on notes payable, stockholder	(180,000)
Proceeds from long-term borrowings	1,938,000
Principal payments on long-term borrowings, including capital lease obligations	(1,577,843)
Distributions to noncontrolling interest member	(64,014)
Distributions	(386,200)
Net cash provided by financing activities	121,019
Increase in cash	66,971
Cash, beginning	37,790
Cash, ending	$ 104,761

See Notes to Consolidated Financial Statements.

Note 1. Nature of Business, Subsequent Event and Significant Accounting Policies

Nature of business and Subsequent Event:

Middlebury Hardwood Products, Inc. ("MHP") manufactures wood products, primarily cabinet doors, for the recreational vehicle industry mainly located in northern Indiana, generally under terms of 30 days.

I.P.I.C., Inc. ("IPIC") owns and leases commercial property to MHP. IPIC is related to MHP through common ownership of one of the stockholders.

On October 26, 2012, MHP and IPIC sold substantially all of their assets to an unrelated party.

Significant accounting policies:

Use of estimates:

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reporting entity principles of consolidation:

The financial statements include the accounts of MHP and IPIC, a variable interest entity (VIE) for which MHP is the primary beneficiary. All significant intercompany accounts and transactions have been eliminated in consolidation. MHP and IPIC are collectively referred to as the "Company".

IPIC is a VIE of MHP because of a leasing arrangement and because it requires financial support consisting of long-term debt guarantees. The primary beneficiary of a VIE is the enterprise that has both (1) the power to direct the activities of the VIE that most significantly impact the entity's economic performance, and (2) the obligation to absorb losses or the right to receive residual returns that potentially could be significant to the VIE. See Note 13 for additional information regarding MHP's consolidated VIE.

Noncontrolling interest:

Noncontrolling interest represents the portion of equity in the affiliate not attributable, directly or indirectly, to MHP. The profit or loss derived from the performance of the affiliate is allocated to the net income attributable to the noncontrolling interest in the consolidated statements of income.

Cash:

The Company maintains cash with one financial institution in amounts which, at times, may be in excess of FDIC insurance limits.

Trade receivables:

Trade receivables are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a monthly basis. Trade receivables in the accompanying consolidated balance sheet at December 31, 2011 are stated net of an allowance for doubtful accounts of approximately $20,000. Management determines the allowance for doubtful accounts by evaluating individual customer receivables and considering a customer's financial condition, credit history, and current economic conditions.

Trade receivables are written off when deemed uncollectible. Recoveries of trade receivables previously written off are recorded when received. A trade receivable is considered past due if any portion of the receivable balance is outstanding past stated terms.

Inventories:

Inventories are valued at the lower of cost or market. Cost is determined by the first-in, first-out (FIFO) method.

Long-lived assets:

The Company reviews its long-lived assets periodically to determine potential impairment by comparing the carrying value of the long-lived assets with the estimated future net undiscounted cash flows expected to result from the use of the assets, including cash flows from disposition. Should the sum of the expected future net cash flows be less than the carrying value, the Company would recognize an impairment loss at that date. An impairment loss would be measured by comparing the amount by which the carrying value exceeds the fair value of the long-lived assets. There was no impairment of long-lived assets for the year ended December 31, 2011.

Property and equipment:

Depreciation of property and equipment is computed principally by the straight-line method over the following estimated useful lives:

	Years
Land improvements	15-30
Buildings and improvements	7-39
Machinery and equipment	3-20
Transportation equipment	3-5
Furniture and fixtures	3-7

Revenue recognition:

Revenue is primarily recognized upon shipment under terms F.O.B. shipping point upon which title passes to the customer and, at which time, collectability is reasonably assured.

Risks and uncertainties:

The Company's sales are highly concentrated in the recreational vehicle industry. This industry has experienced demand fluctuations in recent years due to tightening of the wholesale and retail credit markets and low consumer confidence.

Delivery expense:

For the year ended December 31, 2011, the expense associated with the cost of delivery is approximately $438,000 and is reflected in selling and delivery expenses in the accompanying consolidated statement of income.

Delayed adoption of accounting standard:

The FASB issued ASC 480, "*Distinguishing Liabilities from Equity*" (ASC 480). ASC 480 requires that certain freestanding financial instruments be reported as liabilities in the consolidated balance sheet. Depending on the type of financial instrument, it will be accounted for at either fair value or the present value of future cash flows determined at each consolidated balance sheet date with the change in that value reported as interest expense in the consolidated income statement. Prior to the application of ASC 480, either those financial instruments were not required to be recognized, or if recognized were reported in the consolidated balance sheet as equity and changes in the value of those instruments were normally not recognized in net income.

As explained further in Note 11, MHP has stock repurchase agreements with redeemable common stock that will be reported as a liability when ASC 480 is applied. The fair value of the redeemable stock will be transferred from stockholders' equity to liabilities at the date ASC 480 is applied and will have the effect of reducing stockholders' equity and increasing liabilities by approximately $2,070,000. The effective date for required application of ASC 480 has been deferred indefinitely for instruments that are mandatorily redeemable such as the stock repurchase agreements in Note 11.

Subsequent events:

The Company has evaluated subsequent events for potential recognition and/or disclosure through January 7, 2013 the date the financial statements were available to be issued.

Note 2. Inventories

Inventories at December 31, 2011 consist of the following:

Raw materials	$	479,955
Work in process		1,057,676
Finished goods		286,056
	$	1,823,687

Note 3. Property and Equipment

The cost of property and equipment and the related accumulated depreciation at December 31, 2011 are as follows:

Land and improvements	$	262,280
Buildings and improvements		2,956,769
Machinery and equipment		8,918,430
Transportation equipment		173,444
Furniture and fixtures		572,461
		12,883,384
Less accumulated depreciation		7,252,449
	$	5,630,935

Note 4. Pledged Assets, Notes Payable, and Long-Term Debt

The Company has a $2,750,000 line of credit with a bank, limited to a borrowing base calculated on eligible accounts receivable and inventories, of which $1,134,564 was outstanding at December 31, 2011. Borrowings against the line of credit bear interest at prime (3.25% at December 31, 2011) plus .45% with a minimum rate of 4.25%, are collateralized by substantially all of MHP's assets, and are subject to limited personal guarantees by certain stockholders. This agreement is due on demand.[(1)]

Long-term debt at December 31, 2011 is as follows:

Note payable, bank, due in monthly installments of $44,598, including interest at 4.4% collateralized by substantially all of MHP's assets, guaranteed by certain stockholders, due December 2014[(1)]	$	1,500,000
Note payable, bank, due in monthly installments of $5,543 including interest at 6.5% collateralized by substantially all of MHP's assets, guaranteed by certain stockholders, final balloon payment of $376,725 due September 2013[(1)]		425,597
Note payable, due in monthly installments of $9,437 plus interest at 6.5%, collateralized by substantially all of IPIC's assets, guaranteed by certain stockholders, final balloon payment of $486,523 due March 2016		783,970
Other		7,860
		2,717,427
Less current maturities		589,250
	$	2,128,177

(1) These agreements are subject to certain restrictive covenants, specifically tangible net worth and debt to tangible net worth.

Aggregate maturities of long-term debt for the years ended December 2013 through 2016 are as follows:

2013	$	956,015
2014		594,118
2015		78,019
2016		500,025
	$	2,128,177

Note 5. Note Payable, Stockholder

MHP has a note payable with a stockholder as a result of shares of common stock repurchased with an outstanding balance of $1,313,500 at December 31, 2011. The note is subordinated to the bank, is unsecured, pays interest at 1% above the Company's interest rate on its line of credit, and is due December 31, 2015. The Company intends to make quarterly principal payments of approximately $75,000. This note payable has been classified on the balance sheet assuming such payments will be made.

Note 6. Common Stock

MHP had 1,000 shares with a par value of $600 per share authorized, of which 207 shares were issued and outstanding at December 31, 2011.

Note 7. Income Taxes

Both MHP and IPIC, with the consent of their stockholders, have elected to have their income taxed under Section 1362 of the Internal Revenue Code and a similar section of the state tax laws which provide that, in lieu of corporation income taxes, the stockholders account for their proportionate shares of the Company's items of income, deduction, losses, and credits. Therefore, these consolidated statements do not include any provision for corporation income taxes. The Company intends to make distributions in amounts sufficient to reimburse each stockholder for personal income taxes attributable to the Company's net taxable income.

Management has evaluated the Company's tax positions and concluded that the Company has taken no uncertain tax positions that require adjustment to the consolidated financial statement to comply with the provisions of ASC 740-10. With few exceptions, the Company is no longer subject to tax examinations by the U.S. federal, state or local tax authorities for the years before 2008.

Note 8. Major Customers

Net sales to customers comprising 10% or more of total net sales for the year ended December 31, 2011 and the related trade receivable balances at that date are approximately as follows:

	Net Sales	Trade Receivables
Customer A	$ 21,638,000	$ 55,000
Customer B	4,826,000	300,000

Note 9. Employee Benefits

MHP has a qualified defined contribution plan, more commonly known as a 401(k) plan, for substantially all of its employees with over one year of service. The plan provides for a discretionary contribution annually determined by the Board of Directors. The Board elected to make a contribution in the amount of $15,000 for the year ended December 31, 2011.

Note 10. Group Insurance

MHP has a partially self-insured health plan for its employees for up to $50,000 per participant and a minimum aggregate per policy period of $368,000 and a maximum aggregate per policy period determined on a monthly basis based on eligible employees. The excess loss portion of the employer coverage has been reinsured with a commercial carrier. Premiums, losses and claims are accrued as incurred. The total amount charged to expense for the year ended December 31, 2011 is approximately $285,000.

Note 11. Stock Repurchase Agreement

MHP has an agreement with the stockholders which requires the Company to repurchase their stock in the event of termination or death. The agreement establishes the purchase price of 1.5 times book value as of the Company's most recent month-end proceeding the date any shares are to be repurchased. The purchase price may be paid over five years.

In the event of the termination or death of the stockholders, the Company's total obligation to repurchase shares at December 31, 2011 is approximately $2,070,000.

Note 12. Cash Flows Information

Supplemental information relative to the statement of cash flows for the year ended December 31, 2011 is as follows:

Supplemental disclosures of cash flows information:		
Cash payments for interest	$	232,263
Accrued distributions	$	156,600

Note 13. Variable Interest Entity

MHP is the primary beneficiary of and consolidates a related party (IPIC) that is a VIE. MHP would absorb more than a significant amount of the VIE's expected losses based on leasing and guarantee agreements as discussed in Note 1. Through the lease agreement, MHP controls the significant activities of the VIE. No additional support beyond what was previously agreed to has been provided during any periods presented.

For no consideration, MHP has agreed to guarantee the long-term debt of the VIE. MHP's maximum exposure under this guarantee was approximately $784,000 as of December 31, 2011. The details of these debt instruments are included in Note 4 to the consolidated financial statement. MHP can be required to perform on its guarantee in the event of nonpayment of these arrangements by the VIE. In the event MHP would be required to pay the entire guaranteed amount, the value of the assets pledged on the bank debt would be available to liquidate and recover some or all of the amounts paid. However, any decision to liquidate the collateral would be made after an evaluation of the circumstances at the time and the amount of any recovery available to MHP is not currently estimable.

Under the terms of the lease agreements with the VIE, MHP is required to make monthly payments of $22,000 to the VIE under a month-to-month agreement. In addition, the Company is required to pay for property taxes, insurance and maintenance on the related property.

The following table shows the significance of the VIE for the year ended December 31, 2011:

Gross rentals	$	264,000
Net income		156,263
Cash		99,663
Real property		876,680
Long-term debt		783,970
Stockholders' equity		192,373

The assets that are collateral for the debt on the VIE are all assets disclosed above. The creditor of the VIE does not have recourse to the general credit of MHP.

Middlebury Hardwood Products, Inc. and Affiliate

Middlebury Hardwood Products, Inc. And Affiliate

Condensed Consolidated Balance Sheets
September 29, 2012 (Unaudited) and December 31, 2011

	September 29, 2012	December 31, 2011
ASSETS		
Current Assets		
Cash	**$ 2,310**	$ 5,098
Cash held by IPIC	**22,776**	99,663
Trade receivables	**1,776,322**	643,079
Inventories	**2,124,946**	1,823,687
Prepaid expenses	**56,668**	126,823
Total current assets	**3,983,022**	2,698,350
Property and Equipment, at depreciated cost	**4,359,561**	4,754,255
Property and Equipment held by IPIC, at depreciated cost	**846,778**	876,680
	$ 9,189,361	$ 8,329,285
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Note payable, bank	**$ 647,014**	$ 1,134,564
Current maturities of long-term debt	**525,000**	525,000
Current maturities of long-term debt held by IPIC	**64,250**	64,250
Current maturities of note payable, stockholder	**300,000**	300,000
Accounts payable	**1,358,199**	992,951
Accrued expenses	**1,574,010**	598,506
Total current liabilities	**4,468,473**	3,615,271
Long-Term Debt, less current maturities	**1,026,167**	1,408,457
Long-Term Debt, less current maturities held by IPIC	**662,660**	719,720
Note Payable, stockholder, less current maturities	**788,500**	1,013,500
Commitments and Contingencies		
Stockholders' Equity		
Common stock	**124,200**	124,200
Additional paid-in capital	**743,065**	743,065
Retained earnings	**1,233,652**	512,699
Noncontrolling interest	**142,644**	192,373
	2,243,561	1,572,337
	$ 9,189,361	$ 8,329,285

See Notes to Condensed Consolidated Financial Statements.

Middlebury Hardwood Products, Inc. And Affiliate

Condensed Consolidated Statements of Income (Unaudited)
Nine months Ended September 29, 2012 and October 1, 2011

		September 29, 2012		October 1, 2011
Net sales	$	28,626,562	$	26,177,161
Cost of goods sold		25,007,691		23,215,708
Gross profit		3,618,871		2,961,453
Operating expenses:				
Selling and delivery		745,365		673,422
General and administrative		1,093,064		969,692
		1,838,429		1,643,114
Operating income		1,780,442		1,318,339
Interest expense		(169,127)		(221,306)
Consolidated net income		1,611,315		1,097,033
Less: Noncontrolling interest in net incomeof consolidated variable interest entity		(130,363)		(113,124)
Net income attributable to the controlling interest	$	1,480,952	$	983,909

See Notes to Condensed Consolidated Financial Statements.

Middlebury Hardwood Products, Inc. And Affiliate

Condensed Consolidated Statements of Cash Flows (Unaudited)
Nine months Ended September 29, 2012 and October 1, 2011

	September 29, 2012	October 1, 2011
Cash Flows From Operating Activities		
Consolidated net income	**$ 1,611,315**	$ 1,097,033
Adjustments to reconcile consolidated net income to net cash provided by operating activities:		
Depreciation	**666,259**	574,412
Amortization	**1,143**	1,143
Loss (gain) on sale of equipment	**9,481**	(1,563)
Change in assets and liabilities:		
Decrease (increase) in:		
Receivables	**(1,133,243)**	(907,098)
Inventories	**(301,259)**	70,618
Prepaid expenses	**70,154**	(34,356)
(Decrease) in:		
Accounts payable	**365,250**	178,086
Accrued expenses	**975,505**	91,925
Net cash provided by operating activities	**2,264,605**	1,070,200
Cash Flows From Investing Activities		
Proceeds from sale of equipment	**14,366**	1,563
Purchase of property and equipment	**(266,654)**	(927,531)
Net cash (used in) investing activities	**(252,288)**	(925,968)
Cash Flows From Financing Activities		
Net (payments) borrowings under revolving credit agreement	**(487,550)**	400,517
Principal payments on notes payable, stockholder	**(225,000)**	(105,000)
Proceeds from long-term borrowings	**-**	364,215
Principal payments on long-term borrowings, including capital lease obligations	**(439,350)**	(434,894)
Distributions to noncontrolling interest member	**(180,092)**	(50,210)
Distributions	**(760,000)**	(275,000)
Net cash (used in) financing activities	**(2,091,992)**	(100,372)
Increase (decrease) in cash	**(79,675)**	43,860
Cash, beginning	**104,761**	37,790
Cash, ending	**$ 25,086**	$ 81,650

See Notes to Condensed Consolidated Financial Statements.

Note 1. Nature of Business, Subsequent Event and Significant Accounting Policies

Nature of business and subsequent event:

Middlebury Hardwood Products, Inc. ("MHP") manufactures wood products, primarily cabinet doors, for the recreational vehicle industry mainly located in northern Indiana, generally under terms of 30 days.

I.P.I.C., Inc. ("IPIC") owns and leases commercial property to MHP. IPIC is related to MHP through common ownership of one of the stockholders.

On October 26, 2012, MHP and IPIC sold substantially all of their assets to an unrelated party.

Significant accounting policies:

Use of estimates:

The preparation of condensed consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reporting entity principles of consolidation:

The condensed consolidated financial statements include the accounts of MHP and IPIC, a variable interest entity (VIE) for which MHP is the primary beneficiary. All significant intercompany accounts and transactions have been eliminated in consolidation. MHP and IPIC are collectively referred to as the "Company".

IPIC is a VIE of MHP because of a leasing arrangement and because it requires financial support consisting of long-term debt guarantees. The primary beneficiary of a VIE is the enterprise that has both (1) the power to direct the activities of the VIE that most significantly impact the entity's economic performance, and (2) the obligation to absorb losses or the right to receive residual returns that potentially could be significant to the VIE. See Note 7 for additional information regarding MHP's consolidated VIE.

The Company's month end is the last Saturday closest to the last day of the month. The Company's year end is December 31.

The accompanying unaudited Condensed Consolidated Financial Statements have been prepared in accordance with generally accepted accounting principles in the United States of America for interim financial information. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. These condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes for the year ended December 31, 2011. In our opinion, these Condensed Consolidated Financial Statements reflect all adjustments, consisting of normal, recurring accruals, necessary to present fairly our Condensed Consolidated Financial Statements for the interim periods presented herein. The consolidated results of operations for the nine months ended September 29, 2012, are not necessarily indicative of the results to be expected for the full year.

Noncontrolling interest:

Noncontrolling interest represents the portion of equity in the affiliate not attributable, directly or indirectly, to MHP. The profit or loss derived from the performance of the affiliate is allocated to the net income attributable to the noncontrolling interest in the condensed consolidated statements of income.

Long-lived assets:

The Company reviews its long-lived assets periodically to determine potential impairment by comparing the carrying value of the long-lived assets with the estimated future net undiscounted cash flows expected to result from the use of the assets, including cash flows from disposition. Should the sum of the expected future net cash flows be less than the carrying value, the Company would recognize an impairment loss at that date. An impairment loss would be measured by comparing the amount by which the carrying value exceeds the fair value of the long-lived assets. There was no impairment of long-lived assets for the nine months ended September 29, 2012 and October 1, 2011.

Revenue recognition:

Revenue is primarily recognized upon shipment under terms F.O.B. shipping point upon which title passes to the customer and, at which time, collectability is reasonably assured.

Risks and uncertainties:

The Company's sales are highly concentrated in the recreational vehicle industry. This industry has experienced demand fluctuations in recent years due to tightening of the wholesale and retail credit markets and low consumer confidence.

Delivery expense:

For the nine months ended September 29, 2012 and October 1, 2011, the expense associated with the cost of delivery is approximately $332,000 and $361,000 respectively and is reflected in selling and delivery expenses in the accompanying condensed consolidated statement of income.

Subsequent events:

The Company has evaluated subsequent events for potential recognition and/or disclosure through January 8, 2013 the date the condensed consolidated financial statements were available to be issued.

Note 2. Inventories

Inventories at September 29, 2012 and December 31, 2011 consist of the following:

	September 29, 2012	December 31, 2011
Raw materials	**$ 707,119**	$ 479,955
Work in process	**1,192,742**	1,057,676
Finished goods	**225,085**	286,056
	$ 2,124,946	$ 1,823,687

Note 3. Property and Equipment

The cost of property and equipment and the related accumulated depreciation at September 29, 2012 and December 31, 2011 are as follows:

	September 29, 2012	December 31, 2011
Land and improvements	**$ 285,146**	$ 262,280
Buildings and improvements	**2,979,183**	2,956,769
Machinery and equipment	**8,734,468**	8,918,430
Transportation equipment	**192,925**	173,444
Furniture and fixtures	**551,238**	572,461
	12,742,960	12,883,384
Less accumulated depreciation	**7,536,621**	7,252,449
	$ 5,206,339	$ 5,630,935

Note 4. Income Taxes

Both MHP and IPIC, with the consent of their stockholders, have elected to have their income taxed under Section 1362 of the Internal Revenue Code and a similar section of the state tax laws which provide that, in lieu of corporation income taxes, the stockholders account for their proportionate shares of the Company's items of income, deduction, losses, and credits. Therefore, these condensed consolidated statements do not include any provision for corporation income taxes. The Company intends to make distributions in amounts sufficient to reimburse each stockholder for personal income taxes attributable to the Company's net taxable income.

Note 5. Major Customers

Net sales to customers comprising 10% or more of total net sales for the nine months ended September 29, 2012 and October 1, 2011 and the related trade receivable balances at September 29, 2012 and December 31, 2011 are approximately as follows:

	September 29, 2012	**September 29, 2012**	October 1, 2011	December 31, 2011
	Net Sales	**Trade Receivables**	Net Sales	Trade Receivables
Customer A	**$ 18,708,000**	**$ 833,000**	$ 17,803,000	$ 55,000
Customer B	**4,126,000**	**230,000**	3,607,000	300,000

Note 6. Cash Flows Information

Supplemental information relative to the statements of cash flows for the nine months ended September 29, 2012 and October 1, 2011 and as of September 29, 2012 and December 31, 2011 is as follows:

		2012		2011
Supplemental disclosures of cash flows information:				
Cash payments for interest	**$**	**171,984**	$	221,195
Accrued distributions	**$**	**717,130**	$	156,600

Note 7. Variable Interest Entity

MHP is the primary beneficiary of and consolidates a related party (IPIC) that is a VIE. MHP would absorb more than a significant amount of the VIE's expected losses based on leasing and guarantee agreements as discussed in Note 1. Through the lease agreement, MHP controls the significant activities of the VIE. No additional support beyond what was previously agreed to have been provided during any periods presented.

For no consideration, MHP has agreed to guarantee the long-term debt of the VIE. MHP's maximum exposure under this guarantee was approximately $727,000 as of September 29, 2012. MHP can be required to perform on its guarantee in the event of nonpayment of these arrangements by the VIE. In the event MHP would be required to pay the entire guaranteed amount, the value of the assets pledged on the bank debt would be available to liquidate and recover some or all of the amounts paid. However, any decision to liquidate the collateral would be made after an evaluation of the circumstances at the time and the amount of any recovery available to MHP is not currently estimable.

Under the terms of the lease agreements with the VIE, MHP is required to make monthly payments of $22,000 to the VIE under a month-to-month agreement. In addition, the Company is required to pay for property taxes, insurance and maintenance on the related property.

The following table shows the significance of the VIE for the nine months ended September 29, 2012 and October 1, 2011 and as of September 29, 2012 and December 31, 2011:

		2012		2011
Gross rentals	**$**	**198,000**	$	198,000
Net income		**130,363**		113,124
Cash		**22,776**		99,663
Real property		**846,778**		876,680
Long-term debt		**726,910**		783,970
Stockholders' equity		**142,644**		192,373

The assets that are collateral for the debt on the VIE are all assets disclosed above. The creditor of the VIE does not have recourse to the general credit of MHP.

Unaudited Pro Forma Condensed Combined Financial Statements

On October 26, 2012, Patrick Industries, Inc. ("Patrick" or the "Company") acquired certain assets of Middlebury Hardwood Products, Inc. and Affiliate (collectively, "Middlebury Hardwoods"), a manufacturer and distributor of hardwood cabinet doors, components, fascia and other hardwood products for the recreational vehicle, manufactured housing, and residential kitchen cabinet industries.

The unaudited pro forma condensed combined statement of income for the fiscal year ended December 31, 2011 gives effect to the acquisition as if it had been completed on January 1, 2011, the first day of Patrick's 2011 fiscal year. Patrick's audited consolidated statement of income for the fiscal year ended December 31, 2011 has been combined with Middlebury Hardwoods' audited consolidated statement of income for the fiscal year then ended. The unaudited pro forma condensed combined statement of income for the nine months ended September 30, 2012 combines the unaudited condensed consolidated statement of income of Patrick for the nine months ended September 30, 2012 and Middlebury Hardwoods' unaudited condensed combined statement of income for the nine months ended September 29, 2012, and gives effect to the transaction as if it had been completed on January 1, 2011.

The unaudited pro forma condensed combined balance sheet as of September 30, 2012 gives effect to the acquisition as if it had been completed on such date and combines the unaudited condensed consolidated balance sheets of Patrick and Middlebury Hardwoods as of September 30, 2012 and September 29, 2012, respectively.

The historical consolidated financial statement information has been adjusted to give pro forma effect to events that are (i) directly attributable to the transaction, (ii) factually supportable and (iii) with respect to the statements of income, expected to have a continuing impact on the combined results. All pro forma financial statements use Patrick's period-end dates and no adjustments were made to Middlebury Hardwoods' information for its different period-end dates.

The unaudited pro forma condensed combined financial information was prepared in accordance with the regulations of the U.S. Securities and Exchange Commission. The pro forma adjustments reflecting the completion of the transaction are based upon the acquisition method of accounting in accordance with ASC 805 and upon the assumptions set forth in the notes to the unaudited pro forma condensed combined financial information. The unaudited pro forma condensed combined balance sheet has been adjusted to reflect the preliminary allocation of the estimated purchase price to identifiable net assets acquired including an amount for goodwill representing the difference between the purchase price and the fair value of the identifiable net assets. Amounts preliminarily allocated to tangible and intangible assets with definite lives may change, which could result in a material change in amortization of such assets. The final allocation of the purchase price will be determined after completion of an analysis of the fair value of Middlebury Hardwoods' assets and liabilities. Accordingly, the final acquisition accounting adjustments may be materially different from the unaudited pro forma adjustments.

The cash portion of the purchase price of Middlebury Hardwoods was funded through borrowings under a five-year $80 million revolving secured senior credit facility established on October 24, 2012 (the "2012 Credit Facility"). The 2012 Credit Facility replaced the Company's previous asset-based revolving senior secured credit facility. The unaudited pro forma condensed combined financial statements reflect only the financing of the Middlebury Hardwoods acquisition under the 2012 Credit Facility.

PATRICK INDUSTRIES, INC.
Unaudited Pro Forma Condensed Combined Balance Sheet
September 30, 2012

(thousands)	Patrick Historical	Middlebury Hardwoods Historical	Pro Forma Adjustments		Pro Forma Combined
ASSETS					
Current assets					
Cash and cash equivalents	$ 888	$ 25	$ (25)	A	$ 126
			19,000	B	
			(19,762)	C	
Trade receivables, net of allowance for doubtful accounts	31,650	1,776	-		33,426
Inventories	40,978	2,125	28	D	43,131
Prepaid expenses and other	3,074	57	-		3,131
Total current assets	76,590	3,983	(759)		79,814
Property, plant and equipment, net	28,602	5,206	-		33,808
Goodwill and other intangible assets, net	20,033	-	13,502	E	33,535
Deferred tax assets, net of valuation allowance	4,430	-	-		4,430
Deferred financing costs, net of accumulated amortization	1,472	-	-		1,472
Other non-current assets	650	-	-		650
TOTAL ASSETS	$ 131,777	$ 9,189	$ 12,743		$ 153,709
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Current maturities of long-term debt	$ 1,000	$ 889	$ (889)	F	$ 1,000
Note payable, bank	-	647	(647)	F	-
Accounts payable	27,005	1,358	-		28,363
Accrued liabilities	10,579	1,574	-		12,153
Total current liabilities	38,584	4,468	(1,536)		41,516
Long-term debt, less current maturities and discount	32,089	1,689	(1,689)	F	51,089
			19,000	G	
Note payable, stockholder, less current maturities	-	788	(788)	F	-
Deferred compensation and other	3,438	-	-		3,438
TOTAL LIABILITIES	74,111	6,945	14,987		96,043
COMMITMENTS AND CONTINGENCIES					
SHAREHOLDERS' EQUITY					
Preferred stock	-	-	-		-
Common stock	55,498	124	(124)	H	55,498
Accumulated other comprehensive loss	(183)	-	-		(183)
Additional paid-in-capital	3,983	743	(743)	H	3,983
Retained earnings (accumulated deficit)	(1,632)	1,234	(1,234)	H	(1,632)
Noncontrolling interest	-	143	(143)	I	-
TOTAL SHAREHOLDERS' EQUITY	57,666	2,244	(2,244)		57,666
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 131,777	$ 9,189	$ 12,743		$ 153,709

See accompanying notes to unaudited pro forma condensed combined financial statements.

PATRICK INDUSTRIES, INC.
Unaudited Pro Forma Condensed Combined Statement of Operations
For the Year Ended December 31, 2011

(thousands except per share data)	Patrick Historical	Middlebury Hardwoods Historical	Pro Forma Adjustments		Pro Forma Combined
NET SALES	$ 307,822	$ 32,323	$ -		$ 340,145
Cost of Goods Sold	263,514	28,633	-		292,147
GROSS PROFIT	44,308	3,690	-		47,998
Operating Expenses:					
Warehouse & delivery	13,645	438	-		14,083
Selling, general & administrative	16,603	1,640	-		18,243
Amortization of intangible assets	829	-	748	A	1,577
Gain on sale of fixed assets and acquisition of business	(244)	-	-		(244)
Total Operating Expenses	30,833	2,078	748		33,659
OPERATING INCOME	13,475	1,612	(748)		14,339
Interest expense, net	4,469	289	(289)	B	5,229
			760	C	
Stock warrants revaluation	699	-	-		699
Income before income tax credit	8,307	1,323	(1,219)		8,411
Income tax credit	(163)	-	-		(163)
NET INCOME	$ 8,470	1,323	(1,219)		$ 8,574
Noncontrolling interest in net income of consolidated variable interest entity		(156)	156	D	
Net Income to the Controlling Interest		$ 1,167	$ (1,063)		
Basic net income per common share	$ 0.87				$ 0.88
Diluted net income per common share	$ 0.83				$ 0.84
Weighted average shares outstanding - Basic	9,757				9,757
Diluted	10,156				10,156

See accompanying notes to unaudited pro forma condensed combined financial statements.

PATRICK INDUSTRIES, INC.
Unaudited Pro Forma Condensed Combined Statement of Operations
For the Nine Months Ended September 30, 2012

(thousands except per share data)

	Patrick Historical	Middlebury Hardwoods Historical	Pro Forma Adjustments		Pro Forma Combined
NET SALES	$ 331,239	$ 28,627	$ -		$ 359,866
Cost of Goods Sold	280,063	25,008	-		305,071
GROSS PROFIT	51,176	3,619	-		54,795
Operating Expenses:					
Warehouse & delivery	11,741	332	-		12,073
Selling, general & administrative	16,256	1,507	-		17,763
Amortization of intangible assets	992	-	561	A	1,553
Gain on sale of fixed assets and acquisition of business	(237)	-	-		(237)
Total Operating Expenses	28,752	1,839	561		31,152
OPERATING INCOME	22,424	1,780	(561)		23,643
Interest expense, net	2,465	169	(169)	B	3,035
			570	C	
Stock warrants revaluation	1,731	-	-		1,731
Income before income tax credit	18,228	1,611	(962)		18,877
Income tax credit	(6,650)	-	-		(6,650)
NET INCOME	$ 24,878	1,611	(962)		$ 25,527
Noncontrolling interest in net income of consolidated variable interest entity		(130)	130	D	
Net Income to the Controlling Interest		$ 1,481	$ (832)		
Basic net income per common share	$ 2.38				$ 2.44
Diluted net income per common share	$ 2.32				$ 2.38
Weighted average shares outstanding - Basic	10,473				10,473
Diluted	10,705				10,705

See accompanying notes to unaudited pro forma condensed combined financial statements.

PATRICK INDUSTRIES, INC.
Notes to Unaudited Pro Forma Condensed Combined Financial Statements
as of September 30, 2012 and for the year ended December 31, 2011
and for the nine months ended September 30, 2012
(thousands except per share information)

1. Estimated Purchase Price

On October 26, 2012, Patrick acquired certain assets of Middlebury Hardwoods, a manufacturer and distributor of hardwood cabinet doors, components, fascia and other hardwood products for the recreational vehicle, manufactured housing, and residential kitchen cabinet industries.

The net cash purchase price for Middlebury Hardwoods was approximately $20.3 million at the acquisition date. The acquisition was funded through borrowings under the Company's 2012 Credit Facility and included the acquisition of accounts receivable, inventories, prepaid expenses, property, plant and equipment, and certain identifiable intangible assets. Subsequent to the acquisition date, the net cash purchase price decreased by approximately $0.5 million to approximately $19.8 million reflecting certain working capital adjustments.

The preliminary allocation of the estimated purchase price is based on the estimated fair values of Middlebury Hardwoods' assets acquired and liabilities assumed in the acquisition. In addition, the purchase price allocation is based on Middlebury Hardwoods' historical balance sheet as of September 29, 2012. Purchase price allocations to net tangible assets and goodwill and other identifiable intangible assets acquired are as follows:

(thousands)		
Net tangible assets (1)	$	6,260
Goodwill and other identifiable intangible assets (2)		13,502
Total cash net purchase price	$	19,762

(1) Purchase price allocations to net tangible assets are based on preliminary estimates of fair value calculations and should not be considered final. The final calculation of fair value for the net tangible assets will be based on the Middlebury Hardwoods' balance sheet as of the October 26, 2012 acquisition date.

(2) Purchase price allocations to goodwill and other identifiable intangible assets are based on preliminary estimates of fair value calculations and should not be considered final. All such long-lived assets have been assigned preliminary estimated useful lives used to compute pro forma amortization charges included in the accompanying unaudited pro forma condensed combined statements of income. The excess of the purchase price over the estimated fair value of identifiable net assets acquired has been classified as goodwill.

2. Financing

The cash portion of the purchase price of the Middlebury Hardwoods acquisition was funded through borrowings under the 2012 Credit Facility.

3. **Unaudited Pro Forma Condensed Combined Balance Sheet Adjustments**

A. Eliminate Middlebury Hardwoods historical cash.

B. Cash proceeds from borrowings under the 2012 Credit Facility to fund the Middlebury Hardwoods acquisition.

C. Cash paid for the acquisition of Middlebury Hardwoods consisted of the following:

(thousands)		
Borrowings under 2012 Credit Facility	$	19,000
Cash on hand		762
Total	$	19,762

D. Adjustment to step-up Middlebury Hardwoods' inventories to fair value.

E. Record the excess purchase price over the estimated fair value of identifiable net assets acquired that will be recorded as goodwill. In addition, record the estimated fair value of the acquired identifiable intangible assets based on a preliminary appraisal. The amount of intangible assets, estimated useful lives and amortization methodologies are subject to completion of the final appraisal. Preliminary classification of intangible assets is as follows:

(thousands)		Value	Estimated Useful Life
Trademarks	$	410	Indefinite
Customer relationships		7,010	10 years
Non-compete agreements		140	3 years
Net intangible assets included in pro forma adjustment	$	7,560	

F. Record elimination of Middlebury Hardwoods debt upon closing of the transaction.

G. Record borrowings under the 2012 Credit Facility to fund the cash portion of the purchase price of the Middlebury Hardwoods acquisition.

H. Eliminate Middlebury Hardwoods historical common stock outstanding, additional paid-in-capital and retained earnings.

I. Eliminate Middlebury Hardwoods historical non-controlling interest which represents the portion of equity in its affiliate that is not attributable, directly or indirectly, to Middlebury Hardwoods.

4. **Unaudited Pro Forma Condensed Combined Statements of Operations Adjustments**

A. Record amortization expense related to the estimated fair value of acquired identifiable finite-lived intangible assets using average estimated lives ranging from 3 to 10 years. Upon completion of final intangible asset appraisals and classifications, actual amortization may differ from this calculation.

B. Eliminate Middlebury Hardwoods historical interest expense.

C. Record interest expense on the borrowings of $19.0 million under the 2012 Credit Facility to fund the Middlebury Hardwoods acquisition at the estimated base rate plus the applicable margin in effect at the time of borrowing.

D. Eliminate Middlebury Hardwoods historical non-controlling interest in the net income of its affiliate.