

GREIF INC
Form 10-Q
June 08, 2009

UNITED STATES

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 quarterly period ended April 30, 2009

OR

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

For the transition period from _____ to _____

Commission File Number 001-00566

GREIF, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

31-4388903
(I.R.S. Employer
Identification No.)

425 Winter Road, Delaware, Ohio
(Address of principal executive offices)

43015
(Zip Code)

Registrant's telephone number, including area code (740) 549-6000

Not Applicable

Former name, former address and former fiscal year, if changed since last report.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

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Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒

Accelerated
filer ☐

Non-accelerated filer ☐ (Do not check if a smaller reporting company)

Smaller
reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares outstanding of each of the issuer's classes of common stock at the close of business on April 30, 2009 was as follows:

Class A Common Stock	24,360,723 shares
Class B Common Stock	22,462,266 shares

PART I. FINANCIAL INFORMATION

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

GREIF, INC. AND SUBSIDIARY COMPANIES
CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)

(Dollars in thousands, except per share amounts)

	Three months ended April 30,		Six months ended April 30,	
	2009	2008	2009	2008
Net sales	\$ 647,897	\$ 918,019	\$ 1,314,157	\$ 1,764,311
Cost of products sold	533,816	758,851	1,099,521	1,456,819
Gross profit	114,081	159,168	214,636	307,492
Selling, general and administrative expenses	65,695	83,431	124,129	163,943
Restructuring charges	20,295	7,337	47,471	17,812
Timberland disposals, net	-	100	-	190
Gain on disposal of properties, plants and equipment, net	2,237	12,971	4,554	49,745
Operating profit	30,328	81,471	47,590	175,672
Interest expense, net	13,403	13,296	25,602	25,052
Debt extinguishment charge	782	-	782	-
Other income (expense), net	1,957	(3,780)	170	(7,110)
Income before income tax expense and equity in earnings (losses) of affiliates and minority interests	18,100	64,395	21,376	143,510
Income tax expense	5,960	14,748	6,926	33,438
Equity in earnings (losses) of affiliates and minority interests	2	(993)	(1,042)	(731)
Net income	\$ 12,142	\$ 48,654	\$ 13,408	\$ 109,341
Basic earnings per share:				
Class A Common Stock	\$ 0.21	\$ 0.84	\$ 0.24	\$ 1.88
Class B Common Stock	\$ 0.31	\$ 1.25	\$ 0.34	\$ 2.81
Diluted earnings per share:				
Class A Common Stock	\$ 0.21	\$ 0.82	\$ 0.24	\$ 1.85
Class B Common Stock	\$ 0.31	\$ 1.25	\$ 0.34	\$ 2.81

See accompanying Notes to Consolidated Financial Statements

GREIF, INC. AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEETS
(Dollars in thousands)

ASSETS

	April 30, 2009 (Unaudited)	October 31, 2008
Current assets		
Cash and cash equivalents	\$ 66,775	\$ 77,627
Trade accounts receivable, less allowance of \$14,400 in 2009 and \$13,532 in 2008	309,296	392,537
Inventories	244,074	303,994
Deferred tax assets	28,307	33,206
Net assets held for sale	24,188	21,321
Prepaid expenses and other current assets	83,027	93,965
	755,667	922,650
Long-term assets		