

AMERON INTERNATIONAL CORP
Form 10-Q
June 25, 2010

United States
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended May 30, 2010

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 1-9102

AMERON INTERNATIONAL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware 77-0100596
(State or other (I.R.S. Employer
jurisdiction of Identification No.)
incorporation or
organization)

245 South Los Robles Avenue
Pasadena, CA 91101-3638
(Address of principal executive offices)

(626) 683-4000
(Registrant's telephone number, including area code)

(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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, 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, a non-accelerated filer or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer <input checked="" type="checkbox"/>	Accelerated filer <input type="checkbox"/>
Non-accelerated filer <input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company <input type="checkbox"/>

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 outstanding shares of Common Stock, \$2.50 par value, was 9,246,355 on June 24, 2010. No other class of Common Stock exists.

AMERON INTERNATIONAL CORPORATION AND SUBSIDIARIES

FORM 10-Q

For the Quarter Ended May 30, 2010

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 AMERON INTERNATIONAL CORPORATION AND SUBSIDIARIES

PART I – FINANCIAL INFORMATION

ITEM 1 – FINANCIAL STATEMENTS

CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(Dollars in thousands, except per share data)	Three Months Ended		Six Months Ended	
	May 30, 2010	May 31, 2009	May 30, 2010	May 31, 2009
Sales	\$136,544	\$132,920	\$245,562	\$278,922
Cost of sales	(101,213)	(96,370)	(180,785)	(207,451)
Gross profit	35,331	36,550	64,777	71,471
Selling, general and administrative expenses	(24,138)	(25,877)	(51,400)	(52,285)
Other income, net	969	2,431	1,511	2,902
Income before interest, income taxes and equity in loss of affiliate	12,162	13,104	14,888	22,088
Interest expense, net	(305)	(148)	(412)	(319)
Income before income taxes and equity in loss of affiliate	11,857	12,956	14,476	21,769
Provision for income taxes	(1,899)	(1,975)	(2,659)	(4,619)
Income before equity in loss of affiliate	9,958	10,981	11,817	17,150
Equity in loss of affiliate, net of taxes	(409)	(1,555)	(1,185)	(3,898)
Net income	\$9,549	\$9,426	\$10,632	\$13,252
Net income per share allocated to Common Stock (see Note 7)				
Basic	\$1.03	\$1.02	\$1.15	\$1.44
Diluted	\$1.03	\$1.02	\$1.15	\$1.43
Weighted-average shares (basic)	9,205,970	9,171,645	9,191,676	9,159,161
Weighted-average shares (diluted)	9,218,234	9,185,143	9,209,129	9,172,470
Cash dividends per share	\$.30	\$.30	\$.60	\$.60

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

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CONSOLIDATED BALANCE SHEETS – ASSETS (UNAUDITED)

(Dollars in thousands)	May 30, 2010	November 30, 2009
ASSETS		
Current assets		
Cash and cash equivalents	\$153,351	\$181,114
Receivables, less allowances of \$4,589 in 2010 and \$5,351 in 2009	155,171	151,210
Inventories	70,865	62,700
Deferred income taxes	18,814	19,795
Prepaid expenses and other current assets	12,870	11,585
Total current assets	411,071	426,404
Investments		
Equity method affiliate	27,841	30,626
Cost method affiliates	3,784	3,784
Property, plant and equipment		
Land	45,662	