

Neenah Paper Inc
Form 10-Q
November 09, 2009
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2009

OR

**o 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: 001-32240

NEENAH PAPER, INC.

(Exact name of registrant as specified in its charter)

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Delaware

(State or other jurisdiction of
incorporation or organization)

20-1308307

(I.R.S. Employer Identification No.)

3460 Preston Ridge Road

Alpharetta, Georgia

(Address of principal executive offices)

30005

(Zip Code)

(678) 566-6500

(Registrant's telephone number, including area code)

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, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

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 ☒

As of October 30, 2009, there were approximately 14,665,000 shares of the Company's common stock outstanding.

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(In millions, except share and per share data)

(Unaudited)

	Three Months Ended September 30,		2009		2008		Nine Months Ended September 30,		2009		2008	
Net sales	\$	150.1	\$	185.6	\$	419.4	\$	585.7				
Cost of products sold		121.8		160.6		346.4		497.6				
Gross profit		28.3		25.0		73.0		88.1				
Selling, general and administrative expenses		18.1		16.6		51.0		55.4				
Other income - net		(0.1)		(3.9)		(0.7)		(11.7)				
Restructuring costs (Note 4)		(0.4)				17.6						
Operating income		10.7		12.3		5.1		44.4				
Interest expense - net		5.4		6.3		16.4		18.6				
Income (loss) from continuing operations before income taxes		5.3		6.0		(11.3)		25.8				
Provision (benefit) for income taxes (Note 7)		1.9		1.0		(5.4)		6.1				
Income (loss) from continuing operations		3.4		5.0		(5.9)		19.7				
Income (loss) from discontinued operations, net of income taxes		(0.2)		1.5		(0.2)		(110.5)				
Net income (loss)	\$	3.2	\$	6.5	\$	(6.1)	\$	(90.8)				
Earnings (Loss) Per Common Share												
Basic												
Continuing operations	\$	0.23	\$	0.34	\$	(0.40)	\$	1.33				
Discontinued operations		(0.01)		0.10		(0.01)		(7.53)				
	\$	0.22	\$	0.44	\$	(0.41)	\$	(6.20)				
Diluted												
Continuing operations	\$	0.23	\$	0.34	\$	(0.40)	\$	1.32				
Discontinued operations		(0.01)		0.10		(0.01)		(7.47)				
	\$	0.22	\$	0.44	\$	(0.41)	\$	(6.15)				
Weighted Average Common Shares Outstanding (in thousands)												
Basic		14,656		14,592		14,652		14,679				
Diluted		14,850		14,696		14,652		14,801				
Cash Dividends Declared Per Share of Common Stock												
	\$	0.10	\$	0.10	\$	0.30	\$	0.30				

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See Notes to Condensed Consolidated Financial Statements

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NEENAH PAPER, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions)
(Unaudited)

	September 30, 2009	December 31, 2008
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 5.4	\$ 3.3
Accounts receivable (less allowances of \$2.1 million and \$1.7 million)	75.8	63.2
Inventories		