

UNIVERSAL CORP /VA/
Form 10-Q
August 07, 2012

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 JUNE 30, 2012

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: 001-00652

UNIVERSAL CORPORATION

(Exact name of registrant as specified in its charter)

Virginia

54-0414210

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer
Identification Number)

9201 Forest Hill Avenue,
Richmond, Virginia
(Address of principal executive offices)

23235
(Zip Code)

804-359-9311

(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 during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

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 definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer 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 August 1, 2012, the total number of shares of common stock outstanding was 23,367,744.

UNIVERSAL CORPORATION

FORM 10-Q

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PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

UNIVERSAL CORPORATION
CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(in thousands of dollars, except per share data)

	Three Months Ended June 30,	
	2012	2011
	(Unaudited)	
Sales and other operating revenues	\$461,391	\$479,465
Costs and expenses		
Cost of goods sold	369,361	385,107
Selling, general and administrative expenses	49,203	61,578
Other income	—	(9,592)
Restructuring costs	—	6,859
Operating income	42,827	35,513
Equity in pretax earnings (loss) of unconsolidated affiliates	1,369	(3,489)
Interest income	157	357
Interest expense	6,170	5,533
Income before income taxes and other items	38,183	26,848
Income taxes	12,950	9,526
Net income	25,233	17,322
Less: net income attributable to noncontrolling interests in subsidiaries	(2,108)	(1,434)
Net income attributable to Universal Corporation	23,125	15,888
Dividends on Universal Corporation convertible perpetual preferred stock	(3,712)	(3,712)
Earnings available to Universal Corporation common shareholders	\$19,413	\$12,176
Earnings per share attributable to Universal Corporation common shareholders:		
Basic	\$0.83	\$0.52
Diluted	\$0.81	\$0.52
Weighted average common shares outstanding:		
Basic	23,297	23,194
Diluted	28,391	23,513
Total comprehensive income, net of income taxes	\$15,454	\$22,987
Less: comprehensive income attributable to noncontrolling interests, net of income taxes	(2,197)	(1,430)
Comprehensive income attributable to Universal Corporation, net of income taxes	\$13,257	\$21,557
Dividends declared per common share	\$0.49	\$0.48

See accompanying notes.

UNIVERSAL CORPORATION
 CONSOLIDATED BALANCE SHEETS
 (in thousands of dollars)

	June 30, 2012 (Unaudited)	June 30, 2011 (Unaudited)	March 31, 2012
ASSETS			
Current assets			
Cash and cash equivalents	\$207,393	\$93,795	\$261,699
Accounts receivable, net	292,633	322,690	390,790
Advances to suppliers, net	78,260	130,783	135,317
Accounts receivable—unconsolidated affiliates	59,858	47,111	7,370
Inventories—at lower of cost or market:			
Tobacco	962,347	987,379	682,095
Other	61,162	60,871	53,197
Prepaid income taxes	17,921	20,493	20,819
Deferred income taxes	51,967	54,479	51,025
Other current assets	65,610	77,527	88,317
Total current assets	1,797,151	1,795,128	1,690,629
Property, plant and equipment			
Land	17,059	14,186	17,087
Buildings	228,191	241,771	228,982
Machinery and equipment	539,310	537,693	537,031
	784,560	793,650	783,100