

Neenah Paper Inc
Form 10-Q
November 07, 2012
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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 September 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

NEENAH PAPER, INC.

(Exact name of registrant as specified in its charter)

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 26, 2012, there were approximately 15,860,000 shares of the Company's common stock outstanding.

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	Three Months Ended September 30,		Nine Months Ended September 30,	
	2012	2011	2012	2011
Net sales	\$ 206.3	\$ 174.9	\$ 616.2	\$ 530.5
Cost of products sold	170.6	147.5	494.8	436.4
Gross profit	35.7	27.4	121.4	94.1
Selling, general and administrative expenses	18.5	15.1	57.1	50.1
SERP settlement charge (Note 6)			3.5	
Acquisition integration costs	0.3		4.7	
Loss on retirement of bonds			0.2	2.4
Other (income) expense - net	0.6	(0.2)	1.4	(1.4)
Operating income	16.3	12.5	54.5	43.0
Interest expense - net	3.3	3.6	10.4	11.8
Income from continuing operations before income taxes	13.0	8.9	44.1	31.2
Provision for income taxes	3.8	2.1	13.3	9.6
Income from continuing operations	9.2	6.8	30.8	21.6
Loss from discontinued operations, net of income taxes	(0.1)	(0.1)	(0.1)	(0.2)
Net income	\$ 9.1	\$ 6.7	\$ 30.7	\$ 21.4
Earnings Per Common Share				
Basic				
Continuing operations	\$ 0.56	\$ 0.44	\$ 1.90	\$ 1.42
Discontinued operations				(0.01)
	\$ 0.56	\$ 0.44	\$ 1.90	\$ 1.41
Diluted				
Continuing operations	\$ 0.55	\$ 0.42	\$ 1.87	\$ 1.35
Discontinued operations				(0.01)
	\$ 0.55	\$ 0.42	\$ 1.87	\$ 1.34
Weighted Average Common Shares Outstanding (in thousands)				
Basic	15,828	15,011	15,655	14,933
Diluted	16,145	15,653	15,982	15,668
Cash Dividends Declared Per Share of Common Stock	\$ 0.12	\$ 0.11	\$ 0.36	\$ 0.33

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See Notes to Condensed Consolidated Financial Statements

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NEENAH PAPER, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In millions)

(Unaudited)

	Three Months Ended September 30,		Three Months Ended September 30,		Nine Months Ended September 30,		Nine Months Ended September 30,	
	2012		2011		2012		2011	
Net income	\$	9.1	\$	6.7	\$	30.7	\$	