

TreeHouse Foods, Inc.
Form 10-Q
May 07, 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 and Exchange Act of 1934
For the Quarterly Period Ended March 31, 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 001-32504

TreeHouse Foods, Inc.
(Exact name of the registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or
organization)

20-2311383
(I.R.S. employer identification no.)

Two Westbrook Corporate Center, Suite 1070
Westchester, IL
(Address of principal executive offices)

60154
(Zip Code)

(Registrant's telephone number, including area code) (708) 483-1300

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.

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Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting Company

(Do not check if a 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

Number of shares of Common Stock, \$0.01 par value, outstanding as of April 30, 2010: 34,769,429.

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Part I — Financial Information

Item 1. Financial Statements

TREEHOUSE FOODS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)

	March 31, 2010	December 31, 2009
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	\$ 4,097	\$ 4,415
Receivables, net	102,134	86,557
Inventories, net	299,324	264,933
Deferred income taxes	3,504	3,397
Prepaid expenses and other current assets	12,948	7,269
Assets held for sale	4,081	4,081
Total current assets	426,088	370,652
Property, plant and equipment, net	360,783	276,033
Goodwill	960,764	575,007
Other intangible assets, net	406,520	153,569
Other assets	18,823	9,167
Total assets	\$ 2,172,978	\$ 1,384,428
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued expenses	\$ 170,167	\$ 148,819
Current portion of long-term debt	1,090	906
Deferred income tax	642	—
Total current liabilities	171,899	149,725
Long-term debt	921,181	401,640
Deferred income taxes	150,332	45,381
Other long-term liabilities	31,844	31,453
Total liabilities	1,275,256	628,199
Commitments and contingencies (Note 17)		
Stockholders' equity:		
Preferred stock, par value \$0.01 per share, 10,000,000 shares authorized, none issued	—	—
Common stock, par value \$0.01 per share, 90,000,000 shares authorized, 34,769,429 and 31,998,921 shares issued and outstanding, respectively	348	320
Additional paid-in capital	703,142	587,598
Retained earnings	211,581	195,262
Accumulated other comprehensive loss	(17,349)	(26,951)
Total stockholders' equity	897,722	756,229
Total liabilities and stockholders' equity	\$ 2,172,978	\$ 1,384,428

See Notes to Condensed Consolidated Financial Statements.

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TREEHOUSE FOODS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share data)

	Three Months Ended	
	March 31,	
	2010	2009
	(Unaudited)	
Net sales	\$397,124	\$355,396
Cost of sales	308,346	283,685
Gross profit	88,778	71,711
Operating expenses:		
Selling and distribution	26,796	25,781
General and administrative	28,478	15,773
Other operating (income) expense, net	(2,261)	242
Amortization expense	4,447	3,258
Total operating expenses	57,460	45,054
Operating income	31,318	26,657
Other (income) expense:		
Interest expense, net	6,827	4,498
Loss on foreign currency exchange	100	2,060
Other income, net	(213)	(112)
Total other expense	6,714	6,446
Income before income taxes	24,604	20,211
Income taxes	8,285	7,479
Net income		