

UNIVERSAL CORP /VA/
Form 10-Q
February 06, 2014

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 DECEMBER 31, 2013

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 January 31, 2014, the total number of shares of common stock outstanding was 23,216,312.

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, except per share data)

| | Three Months Ended December 31, | | Nine Months Ended December 31, | |
|--|------------------------------------|-----------|-----------------------------------|-------------|
| | 2013 | 2012 | 2013 | 2012 |
| | (Unaudited) | | (Unaudited) | |
| Sales and other operating revenues | \$767,802 | \$680,029 | \$1,852,199 | \$1,816,607 |
| Costs and expenses | | | | |
| Cost of goods sold | 628,495 | 554,588 | 1,522,112 | 1,461,087 |
| Selling, general and administrative expenses | 66,468 | 60,928 | 201,542 | 169,406 |
| Other income | — | — | (81,619) |) — |
| Restructuring costs | 3,400 | — | 4,708 | 3,687 |
| Operating income | 69,439 | 64,513 | 205,456 | 182,427 |
| Equity in pretax earnings (loss) of unconsolidated affiliates | 1,789 | (1,241) |) 1,755 | (192) |
| Interest income | 344 | 183 | 748 | 410 |
| Interest expense | 5,157 | 5,670 | 16,623 | 17,778 |
| Income before income taxes | 66,415 | 57,785 | 191,336 | 164,867 |
| Income taxes | 22,212 | 18,070 | 63,390 | 50,633 |
| Net income | 44,203 | 39,715 | 127,946 | 114,234 |
| Less: net income attributable to noncontrolling interests in subsidiaries | (5,618) |) (4,173) |) (5,608) |) (7,586) |
| Net income attributable to Universal Corporation | 38,585 | 35,542 | 122,338 | 106,648 |
| Dividends on Universal Corporation convertible perpetual preferred stock | (3,712) |) (3,712) |) (11,137) |) (11,137) |
| Earnings available to Universal Corporation common shareholders | \$34,873 | \$31,830 | \$111,201 | \$95,511 |
| Earnings per share attributable to Universal Corporation common shareholders: | | | | |
| Basic | \$1.50 | \$1.36 | \$4.78 | \$4.09 |
| Diluted | \$1.36 | \$1.25 | \$4.31 | \$3.75 |
| Weighted average common shares outstanding: | | | | |
| Basic | 23,216 | 23,406 | 23,246 | 23,361 |
| Diluted | 28,364 | 28,517 | 28,388 | 28,470 |
| Total comprehensive income, net of income taxes | \$46,387 | \$48,424 | \$162,828 | \$121,582 |
| Less: comprehensive income attributable to noncontrolling interests, net of income taxes | (5,432) |) (4,274) |) (5,085) |) (7,878) |
| Comprehensive income attributable to Universal Corporation, net of income taxes | \$40,955 | \$44,150 | \$157,743 | \$113,704 |
| Dividends declared per common share | \$0.51 | \$0.50 | \$1.51 | \$1.48 |