

LANCASTER COLONY CORP
Form 10-Q
February 06, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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 December 31, 2014

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 000-04065

Lancaster Colony Corporation
(Exact name of registrant as specified in its charter)

Ohio 13-1955943
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

37 West Broad Street 43215
Columbus, Ohio (Address of principal executive offices) (Zip Code)

614-224-7141
(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, 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. (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 by Rule 12b-2 of the Exchange Act). Yes No

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As of January 23, 2015, there were approximately 27,352,000 shares of Common Stock, without par value, outstanding.

LANCASTER COLONY CORPORATION AND SUBSIDIARIES
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PART I – FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements
LANCASTER COLONY CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

(Amounts in thousands, except share data)	December 31, 2014	June 30, 2014
ASSETS		
Current Assets:		
Cash and equivalents	\$256,148	\$211,539
Receivables (less allowance for doubtful accounts, December-\$557; June-\$432)	58,910	57,808
Inventories:		
Raw materials	28,742	28,069
Finished goods	40,139	46,447
Total inventories	68,881	74,516
Deferred income taxes and other current assets	16,837	23,428
Total current assets	400,776	367,291
Property, Plant and Equipment:		
Land, buildings and improvements	110,875	107,690
Machinery and equipment	246,577	238,791
Total cost	357,452	346,481
Less accumulated depreciation	186,356	177,807
Property, plant and equipment-net	171,096	168,674
Other Assets:		
Goodwill	89,840	89,840
Other intangible assets-net	4,904	5,376
Other noncurrent assets	7,861	7,449
Total	\$674,477	\$638,630
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$41,487	\$37,907
Accrued liabilities	31,036	31,165
Total current liabilities	72,523	69,072
Other Noncurrent Liabilities	21,061	22,208
Deferred Income Taxes	19,626	18,753
Commitments and Contingencies		
Shareholders' Equity:		
Preferred stock-authorized 3,050,000 shares; outstanding-none		
Common stock-authorized 75,000,000 shares; outstanding – December-27,351,677 shares; June-27,339,421 shares	106,230	104,789
Retained earnings	1,198,315	1,167,211
Accumulated other comprehensive loss	(7,936)	(8,061)
Common stock in treasury, at cost	(735,342)	(735,342)
Total shareholders' equity	561,267	528,597
Total	\$674,477	\$638,630

See accompanying notes to condensed consolidated financial statements.

LANCASTER COLONY CORPORATION AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENTS OF INCOME
 (UNAUDITED)

(Amounts in thousands, except per share data)	Three Months Ended		Six Months Ended	
	December 31,		December 31,	
	2014	2013	2014	2013
Net Sales	\$303,411	\$292,281	\$563,398	\$540,418
Cost of Sales	224,758	210,658	427,321	401,624
Gross Margin	78,653	81,623	136,077	138,794
Selling, General and Administrative Expenses	28,437	25,438	51,257	46,178
Operating Income	50,216	56,185	84,820	92,616
Interest Income and Other-Net	(47) (86) (39) (124
Income From Continuing Operations Before Income Taxes	50,169	56,099	84,781	92,492
Taxes Based on Income	17,215	18,966	29,066	31,307
Income From Continuing Operations	32,954	37,133	55,715	61,185
Income From Discontinued Operations, Net of Tax	—			