

Rockwood Holdings, Inc.
Form 10-Q
May 11, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

- x** **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2009

Or

- o** **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number 001-32609

Rockwood Holdings, Inc.

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

52-2277366
(I.R.S. Employer
Identification No.)

100 Overlook Center, Princeton, New Jersey
(Address of principal executive offices)

08540
(Zip Code)

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(609) 514-0300

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

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

As of May 4, 2009, there were 74,080,651 outstanding shares of common stock, par value \$0.01 per share, of the Registrant.

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PART I FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited).

ROCKWOOD HOLDINGS, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Dollars in millions, except per share amounts;

shares in thousands)

(Unaudited)

	Three months ended March 31,		
	2009		2008
Net sales	\$	660.0	\$ 843.8
Cost of products sold		477.9	571.3
Gross profit		182.1	272.5
Selling, general and administrative expenses		145.1	166.6
Restructuring and other severance costs		7.8	0.8
Loss on sale of assets and other		0.1	0.1
Operating income		29.1	105.0
Other expenses, net:			
Interest expense (a)		(49.7)	(73.7)
Interest income		0.4	2.2
Gain on early extinguishment of debt		2.2	
Foreign exchange (loss) gain, net		(5.6)	15.1
Other, net		0.1	0.4
Other expenses, net		(52.6)	(56.0)
(Loss) income from continuing operations before taxes		(23.5)	49.0
Income tax (benefit) provision		(16.7)	19.7
(Loss) income from continuing operations		(6.8)	29.3
Income (loss) from discontinued operations, net of tax		2.3	(1.0)
Net (loss) income		(4.5)	28.3
Net loss (income) attributable to noncontrolling interest		3.0	(0.6)
Net (loss) income attributable to Rockwood Holdings, Inc.	\$	(1.5)	\$ 27.7
Amounts attributable to Rockwood Holdings, Inc.:			
(Loss) earnings from continuing operations	\$	(3.8)	\$ 28.7
Earnings (loss) from discontinued operations		2.3	(1.0)
Net (loss) income	\$	(1.5)	\$ 27.7
Basic (loss) earnings per share attributable to Rockwood Holdings, Inc.:			
(Loss) earnings from continuing operations	\$	(0.05)	\$ 0.39
Earnings (loss) from discontinued operations		0.03	(0.02)
Basic (loss) earnings per share	\$	(0.02)	\$ 0.37
Diluted (loss) earnings per share:			
(Loss) earnings from continuing operations	\$	(0.05)	\$ 0.37

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Earnings (loss) from discontinued operations		0.03		(0.01)
Basic (loss) earnings per share	\$	(0.02)	\$	0.36
Weighted average number of basic shares outstanding		74,064		73,898
Weighted average number of diluted shares outstanding		74,064		76,609

(a) Interest expense includes:

Interest expense on debt	\$	(37.7)	\$	(40.6)
Mark-to-market losses on interest rate swaps		(9.6)		(30.8)
Deferred financing costs		(2.4)		(2.3)
Total	\$	(49.7)	\$	(73.7)

See accompanying notes to condensed consolidated financial statements.

ROCKWOOD HOLDINGS, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(Dollars in millions, except per share amounts;

shares in thousands)

(Unaudited)

	March 31, 2009	December 31, 2008
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 327.1	\$ 468.7
Accounts receivable, net		