

ENERGIZER HOLDINGS, INC.

Form 10-Q

August 01, 2018

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 June 30, 2018

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: 001-36837

ENERGIZER HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Missouri 36-4802442

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

533 Maryville University Drive

St. Louis, Missouri 63141

(Address of principal executive offices) (Zip Code)

(314) 985-2000

(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, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company

(Do not check if smaller reporting company) Emerging growth company

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If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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 of Energizer Holdings, Inc. common stock, \$.01 par value, outstanding as of the close of business on July 30, 2018: 59,769,793.

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ENERGIZER HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF EARNINGS AND COMPREHENSIVE INCOME
(Condensed)
(In millions, except per share data - Unaudited)

	For the Quarter Ended June 30,		For the Nine Months Ended June 30,	
	2018	2017	2018	2017
Net sales	\$392.8	\$372.0	\$1,340.5	\$1,290.6
Cost of products sold	216.7	214.0	717.6	693.1
Gross profit	176.1	158.0	622.9	597.5
Selling, general and administrative expense	111.9	86.3	315.3	263.4
Advertising and sales promotion expense	22.9	20.2	81.1	71.1
Research and development expense	5.2	5.1	15.9	16.0
Amortization of intangible assets	2.8	2.8	8.4	8.4
Spin restructuring	—	—	—	(3.8)
Gain on sale of real estate	(4.6)	(1.7)	(4.6)	(16.9)
Interest expense	17.7	13.3	47.6	39.7
Other items, net	(11.3)	1.5	(9.1)	(4.3)
Earnings before income taxes	31.5	30.5	168.3	223.9
Income tax provision	7.7	5.6	76.3	56.5
Net earnings	\$23.8	\$24.9	\$92.0	\$167.4
Basic net earnings per share	\$0.40	\$0.40	\$1.54	\$2.71
Diluted net earnings per share	\$0.39	\$0.40	\$1.50	\$2.67
Weighted average shares of common stock - Basic	59.7	61.8	59.9	61.8
Weighted average shares of common stock - Diluted	61.4	62.8	61.4	62.8
Dividends per common share	\$0.29	\$0.275	\$0.87	\$0.825
Statements of Comprehensive Income:				
Net earnings	\$23.8	\$24.9	\$92.0	\$167.4
Other comprehensive income/(loss), net of tax expense/(benefit)				
Foreign currency translation adjustments	(31.5)	11.9	(14.9)	(4.5)
Pension activity, net of tax of \$0.4 and \$1.2, for the quarter and nine months ended June 30, 2018, respectively, and \$0.6 and \$1.9 for the quarter and nine months ended June 30, 2017, respectively.	3.0	(0.5)	4.8	3.9
Deferred gain/(loss) on hedging activity, net of tax of \$2.1 and \$4.7 for the quarter and nine months ended June 30, 2018, respectively, and (\$1.2) and \$1.9 for the quarter and nine months ended June 30, 2017, respectively.	6.7	(4.7)	13.0	1.4
Total comprehensive income	\$2.0	\$31.6	\$94.9	\$168.2

The above financial statements should be read in conjunction with the Notes To Consolidated (Condensed) Financial Statements (Unaudited).