

CENTURY ALUMINUM CO
Form 10-Q
August 09, 2011

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 June 30, 2011

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 1-34474

Century Aluminum Company

(Exact name of Registrant as specified in its Charter)

Delaware
(State or other Jurisdiction of
Incorporation or Organization)

13-3070826
(IRS Employer Identification No.)

2511 Garden Road
Building A, Suite 200
Monterey, California
(Address of principal executive
offices)

93940
(Zip Code)

Registrant's telephone number, including area code: (831) 642-9300

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 website, 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

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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.

Large Accelerated Filer	<input type="radio"/>	Accelerated Filer	<input checked="" type="radio"/>
Non-Accelerated Filer (Do not check if a smaller reporting company)	<input type="radio"/>	Smaller Reporting Company	<input type="radio"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The registrant had 93,214,667 shares of common stock outstanding at July 31, 2011.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

CENTURY ALUMINUM COMPANY
CONSOLIDATED BALANCE SHEETS
(Dollars in thousands, except share data)
(Unaudited)

	June 30, 2011	December 31, 2010
ASSETS		
Cash and cash equivalents	\$232,401	\$304,296
Restricted cash	—	3,673
Accounts receivable — net	54,838	43,903
Due from affiliates	37,264	51,006
Inventories	187,388	155,908
Prepaid and other current assets	46,151	18,292
Total current assets	558,042	577,078
Property, plant and equipment — net	1,238,651	1,256,970
Due from affiliates – less current portion	3,094	6,054
Other assets	100,055	82,954
TOTAL	\$1,899,842	\$1,923,056
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES:		
Accounts payable, trade	\$87,595	\$88,004
Due to affiliates	39,548	45,381
Accrued and other current liabilities	49,225	41,495
Accrued employee benefits costs — current portion	15,909	26,682
Convertible senior notes	—	45,483
Industrial revenue bonds	7,815	7,815
Total current liabilities	200,092	254,860
Senior notes payable	249,011	248,530
Accrued pension benefits costs — less current portion	38,518	37,795
Accrued postretirement benefits costs — less current portion	106,718	103,744
Other liabilities	41,662	37,612
Deferred taxes	86,019	85,999
Total noncurrent liabilities	521,928	513,680
COMMITMENTS AND CONTINGENCIES (NOTE 9)		
SHAREHOLDERS' EQUITY:		
Series A Preferred stock (one cent par value, 5,000,000 shares authorized; 80,785 and 82,515 shares issued and outstanding at June 30, 2011 and December 31, 2010, respectively)	1	1
Common stock (one cent par value, 195,000,000 shares authorized; 93,214,667 and 92,771,864 shares issued and outstanding at June 30, 2011 and December 31, 2010, respectively)	932	928
Additional paid-in capital	2,506,435	2,503,907
Accumulated other comprehensive loss	(78,234)	(49,976)
Accumulated deficit	(1,251,312)	(1,300,344)
Total shareholders' equity	1,177,822	1,154,516
TOTAL	\$1,899,842	\$1,923,056

See notes to consolidated financial statements

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CENTURY ALUMINUM COMPANY
CONSOLIDATED STATEMENTS OF OPERATIONS

(Dollars in thousands, except per share amounts)

(Unaudited)

	Three months ended		Six months ended June	
	June 30,		30,	
	2011	2010	2011	2010
NET SALES:				
Third-party customers	\$207,091	\$183,045	\$395,403	\$375,977
Related parties	159,186	104,808	297,211	197,265
	366,277	287,853	692,614	573,242
Cost of goods sold	316,763	266,337	600,784	517,750
Gross profit	49,514	21,516	91,830	55,492
Other operating expenses (income) – net	(5,205)	4,644	(11,089)	9,109
Selling, general and administrative expenses	18,557	10,964	29,166	23,215
Operating income	36,162	5,908	73,753	23,168
Interest expense – third party	(6,386)	(6,357)	(13,163)	(12,755)
Interest income – third party	65	102	220	203
Interest income – related parties	70	111	183	220
Net gain (loss) on forward contracts	(1,617)	9,294	(6,426)	7,322
Other income (expense) - net	(1,132)	230	(455)	638
Income before income taxes and equity in earnings of joint ventures				