

SCHWEITZER MAUDUIT INTERNATIONAL INC  
Form 10-Q  
August 06, 2014

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, 2014

OR

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

1-13948

(Commission file number)

SCHWEITZER-MAUDUIT INTERNATIONAL, INC.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation or organization)

62-1612879  
(I.R.S. Employer Identification No.)

100 North Point Center East, Suite 600  
Alpharetta, Georgia  
(Address of principal executive offices)

30022  
(Zip Code)

1-800-514-0186

(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  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  x

The Company had 30,461,362 shares of common stock issued and outstanding as of August 1, 2014.

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## PART I - FINANCIAL INFORMATION

## Item 1. Financial Statements

SCHWEITZER-MAUDUIT INTERNATIONAL, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(dollars in millions, except per share amounts)

(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Net Sales	\$203.6	\$196.5	\$408.3	\$391.0
Cost of products sold	144.4	131.6	291.5	263.4
Gross Profit	59.2	64.9	116.8	127.6
Selling expense	5.5	5.5	11.0	10.5
Research expense	4.2	3.7	8.3	7.5
General expense	15.8	12.9	30.6	23.5
Total nonmanufacturing expenses	25.5	22.1	49.9	41.5
Restructuring and impairment expense	3.2	0.7	3.3	2.3
Operating Profit	30.5	42.1	63.6	83.8
Interest expense	2.1	0.7	3.6	1.4
Other income, net	2.8	1.2	3.6	2.5
Income from Continuing Operations before Income Taxes and Income from Equity Affiliates	31.2	42.6	63.6	84.9
Provision for income taxes	6.5	13.8	16.3	26.2
Income from equity affiliates, net of income taxes	0.3	0.6	0.9	1.4
Income from Continuing Operations	25.0	29.4	48.2	60.1
Loss from Discontinued Operations	—	(2.8)	) —	(3.4)
Net Income	\$25.0	\$26.6	\$48.2	\$56.7
Net Income (Loss) per Share - Basic:				
Income per share from continuing operations	\$0.82	\$0.94	\$1.57	\$1.92
Loss per share from discontinued operations	—	(0.09)	) —	(0.11)
Net income per share – basic	\$0.82	\$0.85	\$1.57	\$1.81
Net Income (Loss) per Share – Diluted:				
Income per share from continuing operations	\$0.81	\$0.93	\$1.56	\$1.91
Loss per share from discontinued operations	—	(0.09)	) —	(0.11)
Net income per share – diluted	\$0.81			