

INTERNATIONAL MULTIFOODS CORP  
Form 10-Q  
January 09, 2004

## 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 November 29, 2003

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  
**1-6699**

## INTERNATIONAL MULTIFOODS CORPORATION

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of incorporation or  
organization)

**41-0871880**

(I.R.S. Employer Identification No.)

**110 Cheshire Lane, Suite 300, Minnetonka,  
Minnesota**

(Address of principal executive offices)

**55305-1060**

(Zip Code)

**(952) 594-3300**

(Registrant's telephone number, including area code)

(not applicable)

Edgar Filing: INTERNATIONAL MULTIFOODS CORP - Form 10-Q

(Former name, former address and former fiscal year, if changed since last report)

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 is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

The number of shares outstanding of the registrant's Common Stock, par value \$.10 per share, as of December 27, 2003 was 19,316,170.

---

**PART I. FINANCIAL INFORMATION**

## INTERNATIONAL MULTIFOODS CORPORATION AND SUBSIDIARIES

Consolidated Condensed Statements of Operations  
(unaudited)  
(in thousands, except per share amounts)

	THREE MONTHS ENDED		NINE MONTHS ENDED	
	Nov. 29, 2003	Nov. 30, 2002	Nov. 29, 2003	Nov. 30, 2002
Net sales	\$ 273,693	\$ 301,218	\$ 696,029	\$ 721,700
Cost of goods sold	(215,871)	(236,037)	(564,390)	(573,027)
Gross profit	57,822	65,181	131,639	148,673
Selling, general and administrative	(30,493)	(33,777)	(84,259)	(92,152)
Unusual items	(1,078)		(5,482)	
Operating earnings	26,251	31,404	41,898	56,521
Interest, net	(5,272)	(6,081)	(17,635)	(18,845)
Other income (expense), net		(4,671)	(3,032)	(4,671)
Earnings from continuing operations before income taxes	20,979	20,652	21,231	33,005
Income taxes	(6,746)	(7,898)	(6,414)	(12,592)
Earnings from continuing operations	14,233	12,754	14,817	20,413
Discontinued operations:				
Operating loss, after tax		(2,155)		(7,025)
Cumulative effect of change in accounting principle, net of tax of \$23,781				(41,342)
Net loss on disposition, net of tax of \$14,362				(25,922)
Loss from discontinued operations		(2,155)		(74,289)
Net earnings (loss)	\$ 14,233	\$ 10,599	\$ 14,817	\$ (53,876)
Basic earnings (loss) per share:				
Continuing operations	\$ 0.74	\$ 0.67	\$ 0.77	\$ 1.07
Discontinued operations		(0.12)		(3.89)
Total	\$ 0.74	\$ 0.55	\$ 0.77	\$ (2.82)
Diluted earnings (loss) per share:				
Continuing operations	\$ 0.73	\$ 0.66	\$ 0.76	\$ 1.05
Discontinued operations		(0.11)		(3.83)
Total	\$ 0.73	\$ 0.55	\$ 0.76	\$ (2.78)
Average shares of common stock outstanding:				

Edgar Filing: INTERNATIONAL MULTIFOODS CORP - Form 10-Q

Basic	19,306	19,131	19,251	19,085
Diluted	19,606	19,327	19,525	19,413

See accompanying notes to consolidated condensed financial statements.

## INTERNATIONAL MULTIFOODS CORPORATION AND SUBSIDIARIES

Consolidated Condensed Balance Sheets  
(in thousands)

	(Unaudited) Nov. 29, 2003	Condensed from audited financial statements March 1, 2003
<b><u>Assets</u></b>		
Current assets:		
Cash and cash equivalents	\$ 2,118	\$ 1,203
Trade accounts receivable, net	87,117	43,909
Inventories	140,023	124,659
Other current assets	31,800	46,242
Total current assets	261,058	216,013
Property, plant and equipment, net	248,025	235,118
Goodwill, net	64,323	63,358
Other intangible assets, net	135,299	135,986
Other assets	113,649	115,789
Total assets	\$ 822,354	\$ 766,264
<b><u>Liabilities and Shareholders Equity</u></b>		
Current liabilities:		
Notes payable	\$ 98,615	\$