

CHASE CORP
Form 10-Q
July 10, 2008

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 May 31, 2008

Commission File Number: 1-9852

CHASE CORPORATION

(Exact name of registrant as specified in its charter)

Massachusetts
(State or other jurisdiction of incorporation
of organization)

11-1797126
(I.R.S. Employer Identification No.)

26 Summer Street, Bridgewater, Massachusetts 02324

(Address of Principal Executive Offices, Including Zip Code)

(508) 279-1789

(Registrant's Telephone Number, Including Area Code)

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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, and (2) has been subject to such filing requirements for the past 90 days. 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.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by checkmark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES NO

The number of shares of Common Stock outstanding as of June 30, 2008 was 8,316,535.

CHASE CORPORATION

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For the Quarter Ended May 31, 2008

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Part 1 FINANCIAL INFORMATION**Item 1 Unaudited Financial Statements****CHASE CORPORATION****CONSOLIDATED BALANCE SHEETS**

(UNAUDITED)

	May 31, 2008	August 31, 2007
ASSETS		
Current Assets:		
Cash	\$ 3,729,060	\$ 2,443,750
Accounts receivable, less allowance for doubtful accounts of \$440,387 and \$579,536	17,657,337	17,653,982
Inventories	17,860,689	15,135,773
Prepaid expenses and other current assets	848,074	753,818
Deferred income taxes	729,885	729,885
Total current assets	40,825,045	36,717,208
Property, plant and equipment, net	22,031,327	19,758,276
Other Assets		
Goodwill	15,522,221	14,575,640
Intangible assets, less accumulated amortization of \$3,994,501 and \$3,134,274	6,226,207	7,063,178
Cash surrender value of life insurance	4,680,999	4,588,600
Restricted investments	959,430	1,187,488
Other assets	53,486	74,519
	\$ 90,298,715	\$ 83,964,909
LIABILITIES AND STOCKHOLDERS EQUITY		
Current Liabilities		
Accounts payable	\$ 8,456,773	\$ 7,135,266
Accrued payroll and other compensation	3,280,422	2,857,524
Accrued expenses - current	4,082,090	2,864,457
Accrued income taxes	1,208,075	1,092,766
Current portion of long-term debt	800,000	2,210,000
Total current liabilities	17,827,360	16,160,013
Long-term debt, less current portion	1,200,000	3,822,500
Deferred compensation	3,527,197	3,489,763
Accrued pension expense	3,750,791	3,271,901
Accrued expenses		254,052
Deferred income taxes	721,431	754,718
Commitments and Contingencies (Note 8)		
Stockholders Equity		
First Serial Preferred Stock, \$1.00 par value: Authorized 100,000 shares; none issued		
Common stock, \$.10 par value: Authorized 20,000,000 shares at May 31, 2008 and 10,000,000 shares at August 31, 2007; 8,316,535 shares at May 31, 2008 and 8,219,350	831,653	821,935

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shares at August 31, 2007 issued and outstanding

Additional paid-in capital	3,541,253	2,680,170
Accumulated other comprehensive income	513,824	583,799
Retained earnings	58,385,206	52,126,058
Total stockholders' equity	63,271,936	56,211,962
Total liabilities and stockholders' equity	\$ 90,298,715	\$ 83,964,909

See accompanying notes to the consolidated financial statements

CHASE CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three Months Ended May 31,		Nine Months Ended May 31,	
	2008	2007	2008	2007
Revenue				
Sales	\$ 33,488,936	\$ 34,177,895	\$ 95,584,333	\$ 91,945,638
Royalty and commissions	436,851	365,362	1,223,869	1,345,903
	33,925,787	34,543,257	96,808,202	93,291,541
Costs and Expenses				
Cost of products and services sold	22,922,344	23,351,724	65,594,678	65,179,083