

SOUTH JERSEY INDUSTRIES INC

Form 10-Q

August 08, 2007

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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, 2007**

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 **1-6364**

SOUTH JERSEY INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

New Jersey	22-1901645
(State of	(IRS employer
incorporation)	identification no.)

1 South Jersey Plaza, Folsom, NJ 08037

(Address of principal executive offices, including zip code)

(609) 561-9000

(Registrant's telephone number, including area code)

Common Stock

(\$1.25 par value per share) New York Stock Exchange

(Title of each class)	(Name of exchange on which registered)
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Securities registered pursuant to Section 12(g) of the Act: None

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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 (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 a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer" and "large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒ Accelerated filer ☐
Non-accelerated filer ☐

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

As of August 1, 2007, there were 29,512,811 shares of the registrant's common stock outstanding.

PART I — FINANCIAL INFORMATION

Item 1. Financial Statements — See Pages 3 through 20

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SOUTH JERSEY INDUSTRIES, INC. AND SUBSIDIARIES**CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)**

(In Thousands Except for Per Share Data)

	Three Months Ended June 30,	
	2007	2006
Operating Revenues:		
Utility	\$ 92,404	\$ 95,107
Nonutility	79,256	58,662
Total Operating Revenues	171,660	153,769
Operating Expenses:		
Cost of Sales - (Excluding depreciation)		
- Utility	60,255	66,141
- Nonutility	60,349	47,907
Operations	16,628	14,742
Maintenance	1,430	1,365
Depreciation	6,891	6,396
Energy and Other Taxes	2,220	1,891
Total Operating Expenses	147,773	138,442
Operating Income	23,887	15,327
Other Income and Expense	517	646
Interest Charges	(6,188)	(6,217)
Income Before Income Taxes	18,216	9,756
Income Taxes	(7,622)	(4,146)
Equity in Affiliated Companies	216	331
Income from Continuing Operations	10,810	5,941
Loss from Discontinued Operations - (Net of tax benefit)	(55)	(63)
Net Income	\$ 10,755	\$ 5,878
Basic Earnings Per Common Share:		
Continuing Operations	\$ 0.367	\$ 0.204
Discontinued Operations	(0.002)	(0.002)

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Basic Earnings Per Common Share	\$	0.365	\$	0.202
Average Shares of Common Stock Outstanding - Basic		29,465		29,162
Diluted Earnings Per Common Share:				
Continuing Operations	\$	0.366	\$	0.203
Discontinued Operations		(0.002)		(0.002)
Diluted Earnings Per Common Share	\$	0.364	\$	0.201
Average Shares of Common Stock Outstanding - Diluted		29,571		29,226
Dividends Declared per Common Share	\$	0.245	\$	0.225

The accompanying notes are an integral part of the condensed consolidated financial statements.

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SOUTH JERSEY INDUSTRIES, INC. AND SUBSIDIARIES**CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)**

(In Thousands Except for Per Share Data)

	Six Months Ended June 30,	
	2007	2006
Operating Revenues:		
Utility	\$ 357,688	\$ 364,628
Nonutility	182,398	161,753
Total Operating Revenues	540,086	526,381
Operating Expenses:		
Cost of Sales - (Excluding depreciation)		
- Utility	253,220	267,201
- Nonutility	150,853	131,085
Operations	35,536	32,409
Maintenance	2,902	2,770
Depreciation	13,902	12,738
Energy and Other Taxes	7,304	6,622
Total Operating Expenses	463,717	452,825
Operating Income	76,369	73,556
Other Income and Expense	882	794
Interest Charges	(13,157)	(12,583)
Income Before Income Taxes	64,094	61,767
Income Taxes	(26,532)	(25,632)
Equity in Affiliated Companies	422	710
Income from Continuing Operations	37,984	36,845
Loss from Discontinued Operations - (Net of tax benefit)	(203)	(229)
Net Income	\$ 37,781	\$ 36,616
Basic Earnings Per Common Share:		
Continuing Operations	\$ 1.291	\$ 1.266
Discontinued Operations	(0.007)	(0.008)
Basic Earnings Per Common Share	\$ 1.284	\$ 1.258

Average Shares of Common Stock Outstanding - Basic	29,414	29,097
Diluted Earnings Per Common Share:		
Continuing Operations	\$ 1.286	\$ 1.263
Discontinued Operations	(0.006)	(0.008)
Diluted Earnings Per Common Share	\$ 1.280	\$ 1.255
Average Shares of Common Stock Outstanding - Diluted	29,527	29,163
Dividends Declared per Common Share	\$ 0.490	\$ 0.450

The accompanying notes are an integral part of the condensed consolidated financial statements.

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SOUTH JERSEY INDUSTRIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)
(In Thousands)

	Three Months Ended June 30,	
	2007	2006
Net Income	\$ 10,755	\$ 5,878
Other Comprehensive Income, Net of Tax:*		
Unrealized Gain (Loss) on Equity Investments	114	(67)
Unrealized Gain on Derivatives - Other	1,276	879
Other Comprehensive Income - Net of Tax*	1,390	812
Comprehensive Income	\$ 12,145	\$ 6,690

	Six Months Ended June 30,	
	2007	2006
Net Income	\$ 37,781	\$ 36,616
Other Comprehensive Income, Net of Tax:*		
Unrealized Gain on Equity Investments	180	90
Unrealized Gain on Derivatives - Other	1,341	2,103
Other Comprehensive Income - Net of Tax*	1,521	2,193
Comprehensive Income	\$ 39,302	\$ 38,809

* Determined using a combined statutory tax rate of 41.08%.

The accompanying notes are an integral part of the condensed consolidated financial statements.

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SOUTH JERSEY INDUSTRIES, INC. AND SUBSIDIARIES**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**

(In Thousands)

	Six Months Ended June 30,	
	2007	2006
Net Cash Provided by Operating Activities	112,804	35,175
Cash Flows from Investing Activities:		
Net Proceeds from Sale (Net Purchase) of Restricted Investments	10,091	(21,284)
Capital Expenditures	(27,745)	(42,253)
Purchase of Company Owned Life Insurance	(3,722)	-
Investment in Affiliate	(2,137)	-
Other	-	(650)
Net Cash Used in Investing Activities	(23,513)	(64,187)
Cash Flows from Financing Activities:		
Net Repayments of Lines of Credit	(85,675)	(2,700)
Proceeds from Issuance of Long-Term Debt	-	41,400
Principal Repayments of Long-Term Debt	(2,319)	(2,334)
Dividends on Common Stock	(7,208)	(6,551)
Proceeds from Sale on Common Stock	3,098	2,535
Payments for Issuance of Long-Term Debt	-	(1,286)
Net Cash (Used in) Provided by Financing Activities	(92,104)	31,064
Net (Decrease) Increase in Cash and Cash Equivalents	(2,813)	2,052
Cash and Cash Equivalents at Beginning of Period	7,932	4,884
Cash and Cash Equivalents at End of Period	\$ 5,119	\$ 6,936

The accompanying notes are an integral part of the condensed consolidated financial statements.

SOUTH JERSEY INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(In Thousands)

	June 30, 2007	December 31, 2006
<u>Assets</u>		
Property, Plant and Equipment:		
Utility Plant, at original cost	\$ 1,101,543	\$ 1,079,614
Accumulated Depreciation	(267,173)	(257,781)
Nonutility Property and Equipment, at cost	110,829	106,657
Accumulated Depreciation	(10,189)	(8,485)
Property, Plant and Equipment - Net	935,010	920,005
Investments:		
Available-for-Sale Securities	6,692	6,356
Restricted	12,960	23,051
Investment in Affiliates	5,003	1,368
Total Investments	24,655	30,775
Current Assets:		
Cash and Cash Equivalents	5,119	7,932
Accounts Receivable	110,869	117,832
Unbilled Revenues	10,435	39,397
Provision for Uncollectibles	(5,442)	(5,224)
Natural Gas in Storage, average cost	126,664	145,130
Materials and Supplies, average cost	2,947	2,895
Prepaid Taxes	16,793	12,443
Derivatives - Energy Related Assets	23,810	45,627
Other Prepayments and Current Assets	6,384	5,692
Total Current Assets	297,579	371,724
Regulatory and Other Noncurrent Assets:		
Regulatory Assets	182,230	196,962
Derivatives - Energy Related Assets	10,508	23,537
Unamortized Debt Issuance Costs	7,655	7,972
Contract Receivables	13,165	13,654
Other	14,691	8,403
Total Regulatory and Other Noncurrent Assets	228,249	250,528

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Total Assets	\$ 1,485,493	\$ 1,573,032
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The accompanying footnotes are an integral part of the condensed consolidated financial statements.

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SOUTH JERSEY INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(In Thousands)

	June 30, 2007	December 31, 2006
<u>Capitalization and Liabilities</u>		
Common Equity:		
Common Stock	\$ 36,851	\$ 36,657
Premium on Common Stock	243,419	239,763
Treasury Stock (at par)	(202)	-
Accumulated Other Comprehensive Loss	(6,270)	(7,791)
Retained Earnings	196,986	174,407
Total Common Equity	470,784	443,036
Long-Term Debt	357,974	358,022
Total Capitalization	828,758	801,058
Minority Interest	429	461
Current Liabilities:		
Notes Payable	108,925	194,600
Current Maturities of Long-Term Debt	99	2,369
Accounts Payable	85,805	101,615
Customer Deposits and Credit Balances	19,357	24,982
Margin Account Liability	7,214	-
Environmental Remediation Costs	31,733	26,439
Taxes Accrued	6,096	1,967
Derivatives - Energy Related Liabilities	15,323	42,124
Deferred Income Taxes - Net	10,326	10,687
Deferred Contract Revenues	4,668	5,066
Dividends Payable	7,223	-
Interest Accrued	6,263	6,458
Pension and Other Postretirement Benefits	776	788
Other Current Liabilities	4,472	5,699
Total Current Liabilities	308,280	422,794
Deferred Credits and Other Noncurrent Liabilities:		
Deferred Income Taxes - Net	173,909	177,220
Investment Tax Credits	2,310	2,470
Pension and Other Postretirement Benefits	33,711	33,162

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Environmental Remediation Costs	41,135	45,391
Asset Retirement Obligations	24,514	23,970
Derivatives - Energy Related Liabilities	3,907	7,918
Regulatory Liabilities	56,777	50,797
Other	11,763	7,791
 Total Deferred Credits and Other Noncurrent Liabilities	 348,026	 348,719

Commitments and Contingencies (Note 12)

Total Capitalization and Liabilities	\$ 1,485,493	\$ 1,573,032
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The accompanying notes are an integral part of the condensed consolidated financial statements.

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Notes to Condensed Consolidated Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

GENERAL - South Jersey Industries, Inc. (SJI or the Company) currently provides a variety of energy related products and services primarily through the following subsidiaries:

- South Jersey Gas Company (SJG) is a regulated natural gas utility. SJG distributes natural gas in the seven southernmost counties of New Jersey.
- South Jersey Resources Group, LLC (SJRG) markets wholesale natural gas storage, commodity and transportation in the mid-Atlantic and southern states.
- Marina Energy, LLC (Marina) develops and operates on-site energy-related projects.
- South Jersey Energy Company (SJE) acquires and markets natural gas and electricity to retail end users and provides total energy management services to commercial and industrial customers.
- South Jersey Energy Service Plus, LLC (SJESP) installs residential and small commercial HVAC systems, provides plumbing services and services appliances via the sale of appliance service programs.

BASIS OF PRESENTATION — The condensed consolidated financial statements include the accounts of SJI, its wholly owned subsidiaries and subsidiaries in which we have a controlling interest. All significant intercompany accounts and transactions have been eliminated. In management's opinion, the condensed consolidated financial statements reflect all normal and recurring adjustments needed to fairly present SJI's financial position and operating results at the dates and for the periods presented. SJI's businesses are subject to seasonal fluctuations and, accordingly, this interim financial information should not be the basis for estimating the full year's operating results. As permitted by the rules and regulations of the Securities and Exchange Commission the accompanying unaudited condensed consolidated financial statements contain certain condensed financial information and exclude certain footnote disclosures normally included in annual audited consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). These financial statements should be read in conjunction with SJI's 2006 Annual Report on Form 10-K for a more complete discussion of the Company's accounting policies and certain other information.

EQUITY INVESTMENTS -- In April 2007, Marina and a joint venture partner formed LVE Energy Partners, LLC (LVE), in which Marina has a 50% equity interest. LVE has entered into a contract to design, build, own and operate a district energy system and central energy center for a planned resort in Las Vegas, Nevada. SJI holds a variable interest in LVE but is not the primary beneficiary. As a result, this investment is accounted for under the equity method (see Note 12 for further discussion). The operations of LVE will be included on a pre-tax basis in the condensed consolidated statements of income under Equity in Affiliated Companies.

REVENUE BASED TAXES — SJI collects certain revenue-based energy taxes from customers. Such taxes include New Jersey State Sales Tax, Transitional Energy Facility Assessment (TEFA) and Public Utilities Assessment (PUA). State sales tax is recorded as a liability when billed to customers and is not included in revenue or operating expenses. TEFA and PUA are included in both utility revenue and cost of sales and totaled \$1.4 million and \$1.1 million in the three months ended June 30, 2007 and 2006, and \$5.4 million and \$4.8 million for the six months ended June 30, 2007 and 2006, respectively.

CAPITALIZED INTEREST — SJG capitalizes interest on construction at the rate of return on rate base utilized by the New Jersey Board of Public Utilities (BPU) to set rates in its last base rate proceeding. Marina capitalizes interest on construction projects in progress based on the actual cost of borrowed funds. SJG's amounts are included in Utility Plant and Marina's amounts are included in Nonutility Property and Equipment on the condensed consolidated balance sheets. Interest Charges are presented net of capitalized interest on the condensed consolidated statements of income. SJI capitalized interest of \$0.1 million and \$0.4 million for the three months ended June 30, 2007 and 2006, and \$0.2 million and \$0.8 million for the six months ended June 30, 2007 and 2006, respectively.

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DERIVATIVE INSTRUMENTS — The Company manages its portfolio of purchases and sales, as well as natural gas in storage, using a variety of instruments that include forward contracts, swap agreements, options contracts and futures contracts. These contracts are measured at fair value and recorded in Derivatives — Energy Related Assets or Derivatives — Energy Related Liabilities on the condensed consolidated balance sheets. The consolidated net unrealized pre-tax gain (loss) of \$10.3 million, and \$(0.2) million (previously disclosed as \$(2.7) million which included certain losses on settled contracts related to gas in storage) was recorded in earnings during the three months ended June 30, 2007 and 2006, respectively. For the six months ended June 30, 2007 and 2006, the net unrealized pre-tax (loss) gain of \$(9.0) million and \$13.5 million, respectively (previously disclosed as \$10.0 million which included certain losses on settled contracts related to gas in storage) was recorded in earnings. These unrealized gains and losses are included with realized gains and losses in Operating Revenues – Nonutility.

As part of its gas purchasing strategy, SJG uses financial contracts through SJRG to hedge against forward price risk. The costs or benefits of these short-term contracts are recoverable through SJG's Basic Gas Supply Service (BGSS) clause, subject to BPU approval. As of June 30, 2007 and December 31, 2006, SJG had \$6.8 million and \$16.7 million of costs, respectively, included in its BGSS related to open financial contracts.

From time to time we enter into interest rate derivatives and similar agreements to hedge exposure to increasing interest rates, and the impact of those rates on our cash flows with respect to our variable-rate debt. We have designated and account for these interest rate derivatives as cash flow hedges which are included in Other Noncurrent Assets and Other Noncurrent Liabilities. There have been no significant changes to the Company's active interest rate swaps since December 31, 2006 which are described in Note 1 to the Consolidated Financial Statements in Item 8 of SJI's Annual Report on Form 10-K as of December 31, 2006.

The differential to be paid or received as a result of these swap agreements is accrued as interest rates change and is recognized as an adjustment to interest expense. As of June 30, 2007 the net market value of these swaps was \$2.3 million, of which \$2.6 is included in Other Noncurrent Assets and \$0.3 is included in Other Noncurrent Liabilities. As of December 31, 2006, the net market value of these swaps was not significant. The market value represents the amount SJI would have to pay the counterparty, or the counterparty would have to pay SJI, to terminate these contracts as of those dates.

TREASURY STOCK – SJI uses the par value method of accounting for treasury stock. As of June 30, 2007, SJI held 161,742 shares of treasury stock. These shares are related to deferred compensation arrangements where the amounts earned are held in the stock of SJI.

NEW ACCOUNTING PRONOUNCEMENTS — On January 1, 2007 SJI adopted the provisions of FASB Interpretation No. 48 (FIN 48), "Accounting for Uncertainty in Income Taxes." This Interpretation provides guidance on the recognition and measurement of uncertain tax positions in the financial statements.

As a result of the implementation of FIN 48, SJI recognized a \$0.8 million reduction to beginning retained earnings as a cumulative effect adjustment and a noncurrent deferred tax asset of \$0.7 million. The total unrecognized tax benefits as of January 1, 2007 were \$1.5 million including \$0.5 million of accrued interest and penalties. The amount of unrecognized tax benefits that, if recognized, would affect the effective tax rate is not significant. The Company's policy is to record interest and penalties related to unrecognized tax benefits as interest expense and other expense respectively. These amounts were not significant for the three and six months ended June 30, 2007. There have been no material changes to the unrecognized tax benefits for the three and six months ended June 30, 2007 and the Company does not anticipate any material changes in the total unrecognized tax benefits within the next 12 months.

The unrecognized tax benefits are primarily related to an uncertainty of state income tax issues and the timing of certain deductions taken on the Company's income tax returns. Federal income tax returns from 2003 forward and

state income tax returns primarily from 2002 forward are open and subject to examination.

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In September 2006, the FASB issued Statement of Financial Accounting Standards No. 157, "Fair Value Measurements", which defines fair value, establishes a framework for measuring fair value in accounting principles generally accepted in the United States of America (GAAP), and expands disclosures about fair value measurements. This statement is effective in fiscal years beginning after November 15, 2007. Management is currently evaluating the impact that the adoption of this statement will have on the Company's consolidated financial statements.

In January 2007, the FASB posted Statement 133 Implementation Issue No. G26, "Cash Flow Hedges: Hedging Interest Cash Flows on Variable-Rate Assets and Liabilities That Are Not Based on a Benchmark Interest Rate." This issue provides guidance on the designated risks that can be hedged in a cash flow hedge of a variable-rate financial asset or liability for which the interest rate is not based solely on an index, including situations in which an interest rate is reset through an auction process. This issue was effective April 1, 2007. The adoption of this issue did not have a material effect on the Company's condensed consolidated financial statements.

In February 2007, the FASB issued Statement of Financial Accounting Standards No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities." The statement permits entities to choose to measure certain financial instruments and certain other items at fair value that are not currently required to be measured at fair value. The objective is to improve financial reporting by providing entities with the opportunity to mitigate volatility in reported earnings caused by measuring related assets and liabilities differently without having to apply complex hedge accounting provisions. This statement is effective for the first fiscal year beginning after November 15, 2007. Management is currently evaluating the impact that the adoption of this statement will have on the Company's consolidated financial statements.

In April 2007, the FASB posted FASB Staff Position FIN 39-1 "Amendment of FASB Interpretation No. 39" which addresses questions received by the FASB staff regarding Interpretation 39 relating to the offsetting of amounts recognized for forward, interest rate swap, currency swap, option, and other conditional or exchange contracts. The guidance in this FSP is effective for fiscal years beginning after November 15, 2007. Management is currently evaluating the impact that the adoption of this position will have on the Company's consolidated financial statements.

2. STOCK-BASED COMPENSATION PLAN:

Under the Amended and Restated 1997 Stock-Based Compensation Plan, no more than 2,000,000 shares in the aggregate may be issued to SJI's officers (Officers), non-employee directors (Directors) and other key employees. The plan will terminate on January 26, 2015, unless terminated earlier by the Board of Directors. No options were granted or outstanding during the three and six months ended June 30, 2007 and no stock appreciation rights have been issued under the plan. During the six months ended June 30, 2007, SJI granted 44,106 restricted shares to Officers and other key employees. No shares were granted during the three months ended June 30, 2007. These restricted shares vest over a three-year period and are subject to SJI achieving certain market based performance targets as compared to a peer group average, which can cause the actual amount of shares that ultimately vest to range from between 0% to 150% of the original share units granted. During the three and six months ended June 30, 2007, SJI did not grant any restricted shares to Directors. Shares issued to Directors vest over a three-year service period but contain no performance conditions. As a result, 100% of the shares granted generally vest.

See Note 2 to the Consolidated Financial Statements in Item 8 of SJI's Annual Report on Form 10-K as of December 31, 2006 for related accounting policy.

The following table summarizes the nonvested restricted stock awards outstanding at June 30, 2007 and the assumptions used to estimate the fair value of the awards:

	Grant Date	Shares Outstanding	Fair Value Per Share	Expected Volatility	Risk-Free Interest Rate
Officers & Key					
Employees -	Jan. 2005	35,005	\$ 25.155	15.5%	3.4%
	Jan. 2006	38,561	\$ 27.950	16.9%	4.5%
	Jan. 2007	43,387	\$ 29.210	18.5%	4.9%
Directors -	Dec. 2004	5,220	\$ 24.955	-	-
	Dec. 2005	6,340	\$ 29.970	-	-
	Dec. 2006	9,261	\$ 34.020	-	-

Expected volatility is based on the actual daily volatility of SJI's share price over the preceding three-year period as of the valuation date. The risk-free interest rate is based on the zero-coupon U.S. Treasury Bond, with a term equal to the three-year term of the Officers' and other key employees' restricted shares. As notional dividend equivalents are credited to the holders, which are reinvested during the three-year service period, no reduction to the fair value of the award is required. As the Directors' restricted stock awards contain no performance conditions and notional dividend equivalents are credited to the holder, as though they are reinvested during the three-year service period, the fair value of these awards are equal to the market value of shares on the date of grant.

The following table summarizes the total compensation cost for the three and six months ended June 30, 2007 and 2006 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
Officers & Key Employees	\$ 250	\$ 229	\$ 498	\$ 459
Directors	52	33	104	66
Total Cost	302	262	602	525
Capitalized	(26)	(37)	(53)	(57)
Net Expense	\$ 276	\$ 225	\$ 549	\$ 468

As of June 30, 2007, there was \$1.9 million of total unrecognized compensation cost related to nonvested share-based compensation awards granted under the restricted stock plans. That cost is expected to be recognized over a weighted average period of 2.1 years.

The following table summarizes information regarding restricted stock award activity during the six months ended June 30, 2007 excluding accrued dividend equivalents:

	Officers & Other Key Employees	Directors
Nonvested Shares Outstanding, January 1, 2007	116,432	20,821
Granted	44,106	-
Vested*	(42,135)	