

ENERGIZER HOLDINGS INC
Form 10-Q
May 03, 2012

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 March 31, 2012

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: 001-15401

ENERGIZER HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

Missouri	43-1863181
(State or other jurisdiction of incorporation or organization)	(I. R. S. Employer Identification No.)

533 Maryville University Drive	
St. Louis, Missouri	63141
(Address of principal executive offices)	(Zip Code)

(314) 985-2000

(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.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
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Non-accelerated filer	<input type="checkbox"/>		<input type="checkbox"/>
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Smaller reporting
company

(Do not check if 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

Indicate the number of shares of Energizer Holdings, Inc. common stock, \$.01 par value, outstanding as of the close of business on March 30, 2012: 65,387,488.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

ENERGIZER HOLDINGS, INC.

CONSOLIDATED STATEMENTS OF EARNINGS AND COMPREHENSIVE INCOME

(Condensed)

(In millions, except per share data - Unaudited)

	Quarter Ended March 31,		Six Months Ended March 31,		
	2012	2011	2012	2011	
Net sales	\$1,101.8	\$1,035.3	\$2,299.9	\$2,212.4	
Cost of products sold	584.6	564.2	1,218.2	1,185.7	
Gross profit	517.2	471.1	1,081.7	1,026.7	
Selling, general and administrative expense	232.2	216.8	446.3	423.5	
Advertising and promotion expense	111.7	100.3	208.1	229.0	
Research and development expense	27.7	26.3	53.3	49.7	
Household Products restructuring	1.5	36.7	(7.7) 38.6	
Interest expense	30.2	29.1	60.1	58.3	
Other financing items, net	0.9	0.9	0.2	4.1	
Earnings before income taxes	113.0	61.0	321.4	223.5	
Income tax provision	35.1	21.9	99.7	74.0	
Net earnings	\$77.9	\$39.1	\$221.7	\$149.5	
Basic earnings per share	\$1.19	\$0.56	\$3.37	\$2.13	
Diluted earnings per share	\$1.17	\$0.55	\$3.33	\$2.11	
Consolidated Statements of Comprehensive Income:					
Net earnings	\$77.9	\$39.1	\$221.7	\$149.5	
Other comprehensive income/(loss), net of tax					
Foreign currency translation adjustments	34.3	44.5	8.7	39.8	
Pension/postretirement activity, net of tax of \$0.2 and \$0.9 for the quarter and six months ended March 31, 2012, respectively, and \$(0.3) and \$(0.2) 0.8 for the quarter and six months ended March 31, 2011, respectively	0.8	(1.2) 3.6	(1.8)
Deferred gain/(loss) on hedging activity, net of tax of \$1.7 and \$2.0 for the quarter and six months ended March 31, 2012, respectively, and \$0.0 and \$0.5 for the quarter and six months ended March 31, 2011, respectively	1.5	(2.6) 0.4	0.2	
Total comprehensive income	\$114.5	\$79.8	\$234.4	\$187.7	

See accompanying Notes to Condensed Financial Statements

ENERGIZER HOLDINGS, INC.
CONSOLIDATED BALANCE SHEETS
(Condensed)
(In millions - Unaudited)

	March 31, 2012	September 30, 2011
Assets		
Current assets		
Cash and cash equivalents	\$561.8	\$471.2
Trade receivables, less allowance for doubtful accounts of \$17.1 and \$15.9, respectively	687.6	709.8
Inventories	686.4	653.4
Other current assets	457.8	426.3
Total current assets	2,393.6	2,260.7
Property, plant and equipment, net	863.6	885.4
Goodwill	1,475.0	1,475.3
Other intangible assets, net	1,868.9	1,878.2
Other assets	30.6	31.9
Total assets	\$6,631.7	\$6,531.5
Liabilities and Shareholders' Equity		
Current liabilities		