

QUAKER CHEMICAL CORP
Form 10-Q
October 30, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM 10-Q

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

For the quarterly period ended September 30, 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 001-12019

QUAKER CHEMICAL CORPORATION
(Exact name of Registrant as specified in its charter)

Pennsylvania
(State or other jurisdiction of
incorporation or organization)

23-0993790
(I.R.S. Employer
Identification No.)

One Quaker Park, 901 E. Hector Street,

19428 – 2380

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Conshohocken, Pennsylvania
(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: 610-832-4000

Not Applicable

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 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

Accelerated filer

Non-accelerated filer (Do not check if smaller reporting company)

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Number of Shares of Common Stock
Outstanding on September 30, 2012

13,081,917

QUAKER CHEMICAL CORPORATION AND CONSOLIDATED SUBSIDIARIES

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FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited).

Quaker Chemical Corporation

Condensed Consolidated Balance Sheet

	Unaudited (Dollars in thousands, except par value and share amounts)	
	September 30, 2012	December 31, 2011*
ASSETS		
Current assets		
Cash and cash equivalents	\$ 30,172	\$ 16,909
Accounts receivable, net	155,878	150,676
Inventories		
Raw materials and supplies	42,733	41,771
Work-in-process and finished goods	33,701	32,987
Prepaid expenses and other current assets	18,576	17,206
Total current assets	281,060	259,549
Property, plant and equipment, at cost	219,513	214,695
Less accumulated depreciation	(135,204)	(131,779)
Net property, plant and equipment	84,309	82,916
Goodwill	59,461	58,152
Other intangible assets, net	33,563	31,783
Investments in associated companies	8,302	7,942
Deferred income taxes	27,855	29,823
Other assets	36,191	35,356
Total assets	\$ 530,741	\$ 505,521
LIABILITIES AND EQUITY		
Current liabilities		
Short-term borrowings and current portion of long-term debt	\$ 576	\$ 636
Accounts and other payables	74,277	68,125
Accrued compensation	14,390	16,987
Other current liabilities	22,812	20,901
Total current liabilities	112,055	106,649
Long-term debt	37,980	46,701
Deferred income taxes	9,319	7,094
Other non-current liabilities	86,162	89,351

Total liabilities	245,516	249,795
Equity		
Common stock \$1 par value; authorized 30,000,000 shares; issued and outstanding 2012 – 13,081,917 shares; 2011 – 12,911,508 shares	13,082	12,912
Capital in excess of par value	93,845	89,725
Retained earnings	199,388	175,932
Accumulated other comprehensive loss	(30,206)	(29,820)
Total Quaker shareholders' equity	276,109	248,749
Noncontrolling interest	9,116	6,977
Total equity	285,225	255,726
Total liabilities and equity	\$ 530,741	\$ 505,521

* Condensed from audited
financial statements

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

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Quaker Chemical Corporation

Condensed Consolidated Statement of Income

	Unaudited			
	(Dollars in thousands, except per share amounts)			
	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2012	2011	2012	2011
Net sales	\$	180,923		