

VALMONT INDUSTRIES INC  
Form 10-Q  
August 09, 2006

# 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 July 1, 2006

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: 1-31429

## Valmont Industries, Inc.

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**One Valmont Plaza,  
Omaha, Nebraska**

(Address of principal executive offices)

**47-0351813**

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

**68154-5215**

(Zip Code)

(Registrant's telephone number, including area code)

**402-963-1000**

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

Large accelerated filer

Accelerated filer

Non-accelerated filer

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

25,516,389

Outstanding shares of common stock as of July 24, 2006

Index is located on page 2.

Total number of pages 35

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VALMONT INDUSTRIES, INC. AND SUBSIDIARIES

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## VALMONT INDUSTRIES, INC. AND SUBSIDIARIES

## PART I. FINANCIAL INFORMATION

## CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Dollars in thousands, except per share amounts)

(Unaudited)

	Thirteen Weeks Ended		Twenty-Six Weeks Ended	
	July 1, 2006	June 25, 2005	July 1, 2006	June 25, 2005
Net sales	\$ 338,791	\$ 265,134	\$ 642,416	\$ 530,875
Cost of sales.	253,729	197,541	481,661	401,621
Gross profit	85,062	67,593	160,755	129,254
Selling, general and administrative expenses	55,153	46,387	107,269	91,941
Operating income	29,909	21,206	53,486	37,313
Other income (deductions):				
Interest expense	(4,338 )	(4,884 )	(8,486 )	(9,711 )
Interest income	395	592	948	829
Miscellaneous	286	33	1,183	(115 )
	(3,657 )	(4,259 )	(6,355 )	(8,997 )
Earnings before income taxes, minority interest and equity in earnings (losses) of nonconsolidated subsidiaries	26,252	16,947	47,131	28,316
Income tax expense (benefit):				
Current	13,093	5,129	23,993	7,741
Deferred	(4,599 )	996	(7,828 )	2,528
	8,494	6,125	16,165	10,269
Earnings before minority interest and equity in earnings (losses) of nonconsolidated subsidiaries	17,758	10,822	30,966	18,047
Minority interest	(341 )	(313 )	(509 )	(662 )
Equity in earnings (losses) of nonconsolidated subsidiaries	(132 )	(66 )	(87 )	(132 )
Net earnings	\$ 17,285	\$ 10,443	\$ 30,370	\$ 17,253
Earnings per share Basic				
Earnings per share Basic	\$ 0.69	\$ 0.43	\$ 1.22	\$ 0.71
Earnings per share Diluted				
Earnings per share Diluted	\$ 0.67	\$ 0.42	\$ 1.18	\$ 0.69
Cash dividends per share	\$ 0.095	\$ 0.085	\$ 0.180	\$ 0.165
Weighted average number of shares of common stock outstanding (000 omitted)	25,091	24,292	24,880	24,201
Weighted average number of shares of common stock outstanding plus dilutive potential common shares (000 omitted)	25,859	25,035	25,654	25,042

See accompanying notes to condensed consolidated financial statements.

**VALMONT INDUSTRIES, INC. AND SUBSIDIARIES**

**CONDENSED CONSOLIDATED BALANCE SHEETS**

**(Dollars in thousands, except per share amounts)**

**(Unaudited)**

	<b>July 1, 2006</b>	<b>December 31, 2005</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 34,547	\$ 46,867
Receivables, net	223,068	