

ALICO INC
Form 10-Q
August 09, 2011
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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 June 30, 2011

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: 0-261

Alico, Inc.

(Exact name of registrant as specified in its charter)

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Florida
(State or other jurisdiction of
incorporation or organization)

59-0906081
(I.R.S. Employer
Identification No.)

10070 Daniels Interstate Court Suite 100 Fort Myers, FL
(Address of principal executive offices)

33913
(Zip Code)

Registrant's telephone number, including area code: 239-226-2000

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. (Check one):

Large accelerated filer Accelerated filer

Non-accelerated filer (Do not check if a 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

There were 7,350,223 shares of common stock, par value \$1.00 per share, outstanding as of August 1, 2011.

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	Three months ended June 30,		Nine months ended June 30,	
	2011	2010	2011	2010
Operating revenues:				
Agricultural operations	\$ 38,681	\$ 27,739	\$ 90,274	\$ 72,225
Non-agricultural operations	660	701	2,112	1,987
Real estate operations				
Total operating revenue	39,341	28,440	92,386	74,212
Operating expenses:				
Agricultural operations	27,110	22,610	68,674	62,909
Non-agricultural operations	302	304	948	885
Real estate operations	90	143	364	562
Total operating expenses	27,502	23,057	69,986	64,356
Gross profit	11,839	5,383	22,400	9,856
Corporate general and administrative	1,766	1,604	5,374	4,829
Income from operations	10,073	3,779	17,026	5,027
Other (expenses) income:				
Interest and investment income (loss), net	57	901	(1,657)	1,180
Interest expense	(502)	(926)	(1,572)	(2,650)
Other income	114	40	171	209
Total other (expenses) income, net	(331)	15	(3,058)	(1,261)
Income before income taxes	9,742	3,794	13,968	3,766
Income tax expense	3,771	1,506	5,378	1,498
Net income	\$ 5,971	\$ 2,288	\$ 8,590	\$ 2,268
Weighted-average number of shares outstanding	7,352	7,380	7,366	7,382
Weighted-average number of shares outstanding assuming dilution	7,352	7,380	7,366	7,382
Per share amounts- net income (loss)				
Basic	\$ 0.81	\$ 0.31	\$ 1.17	\$ 0.31
Diluted	\$ 0.81	\$ 0.31	\$ 1.17	\$ 0.31

See accompanying notes to condensed consolidated financial statements (unaudited).

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ALICO, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands)

	June 30, 2011 (unaudited)	September 30, 2010
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,074	\$ 10,926
Investments	985	1,439
Accounts receivable, net	16,018	4,389
Income tax receivable		1,072
Inventories	18,194	18,601
Other current assets	792	1,014
Total current assets	39,063	37,441
Investment in Magnolia Fund	10,702	12,699
Investments, deposits and other non-current assets	2,531	3,759
Deferred tax assets	9,116	9,159
Cash surrender value of life insurance	801	786
Property, buildings and equipment	191,779	186,535
Less: accumulated depreciation	(64,164)	(61,562)
Total assets	\$ 189,828	\$ 188,817
LIABILITIES & STOCKHOLDERS EQUITY		
Current liabilities:		
Accounts payable	\$ 2,771	\$ 1,988
Current portion of long-term debt	2,782	1,281
Accrued expenses	1,492	1,025
Income taxes payable	1,118	
Dividend payable		738
Accrued ad valorem taxes	1,305	1,818
Other current liabilities	639	1,062
Total current liabilities	10,107	7,912
Long-term debt, net of current portion	63,067	72,179
Deferred retirement benefits, net of current portion	3,572	3,489
Total liabilities	76,746	83,580
Commitments and contingencies		
Stockholders equity:		
Common stock, \$1 par value; 15,000 shares authorized; 7,377 and 7,386 shares issued and 7,346 and 7,379 shares outstanding at June 30, 2011 and September 30, 2010, respectively	7,377	7,379
Additional paid in capital	9,206	9,310
Treasury stock at cost, 31 and 7 shares held at June 30, 2011 and September 30, 2010, respectively	(811)	(172)
Retained earnings	97,310	88,720

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Total stockholders' equity	113,082	105,237
Total liabilities and stockholders' equity	\$ 189,828	\$ 188,817

See accompanying notes to condensed consolidated financial statements (unaudited).

Table of Contents**ALICO, INC. AND SUBSIDIARIES****CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**

(in thousands)

	Nine months ended June 30,	
	2011	2010
Net cash provided by operating activities	\$ 7,185	\$ 12,795
Cash flows from investing activities:		
Purchases of property and equipment	(8,719)	(6,140)
Purchases of investments	(15)	(12,528)
Proceeds from sales of property and equipment	627	835
Return on investment in Magnolia Fund	1,966	
Proceeds from sales of investments	454	4,723
Notes receivable collections	45	60
Net cash used in investing activities	(5,642)	(13,050)
Cash flows from financing activities:		
Principal payments on notes payable	(961)	(3,816)
Borrowings on revolving line of credit	7,000	48,262
Repayments on revolving line of credit	(13,650)	(42,100)
Treasury stock purchases	(1,047)	(456)
Dividends paid	(737)	(1,014)
Net cash (used in) provided by financing activities	(9,395)	876
Net (decrease) increase in cash and cash equivalents	\$ (7,852)	