

SCHWEITZER MAUDUIT INTERNATIONAL INC
Form 10-Q
May 05, 2010

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, 2010

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

For the transition period from _____ to _____

1-13948
(Commission file number)

SCHWEITZER-MAUDUIT INTERNATIONAL, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

62-1612879
(I.R.S. Employer
Identification No.)

100 North Point Center East, Suite 600
Alpharetta, Georgia
(Address of principal executive offices)

30022
(Zip code)

1-800-514-0186
(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 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 " Smaller reporting company "
(Do not check if a 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 18,362,207 shares of common stock, par value \$0.10 per share, of the registrant outstanding as of April 30, 2010.

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* These Section 906 certifications are not being incorporated by reference into the Form 10-Q filing or otherwise deemed to be filed with the Securities and Exchange Commission.

PART I

ITEM 1. FINANCIAL STATEMENTS

SCHWEITZER-MAUDUIT INTERNATIONAL, INC. AND SUBSIDIARIES
 CONSOLIDATED STATEMENTS OF INCOME
 (dollars in millions, except per share amounts)
 (Unaudited)

	Three Months Ended	
	March 31, 2010	March 31, 2009
Net Sales	\$ 193.0	\$ 184.1
Cost of products sold	139.8	142.5
Gross Profit	53.2	41.6
Selling expense	5.3	5.2
Research expense	2.0	1.8
General expense	12.0	11.5
Total nonmanufacturing expenses	19.3	18.5
Restructuring and impairment expense	4.8	0.3
Operating Profit	29.1	22.8
Interest expense	0.4	1.8
Other income (expense), net	(1.0)	0.2
Income Before Income Taxes and Income (Loss) from Equity Affiliates	27.7	21.2
Provision for income taxes	9.7	6.6
Income (loss) from equity affiliates	0.6	(1.3)
Net Income	\$ 18.6	\$ 13.3
Net Income Per Share:		
Basic	\$ 1.04	\$ 0.87
Diluted	\$ 1.02	\$ 0.87
Cash Dividends Declared Per Share	\$ 0.15	\$ 0.15
Weighted Average Shares Outstanding:		
Basic	17,807,800	15,098,700
Diluted	18,164,400	15,164,400

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

SCHWEITZER-MAUDUIT INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(dollars in millions, except per share amounts)

March 31,
2010

December 31,