

CENTURY ALUMINUM CO  
Form 10-Q  
November 09, 2011

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

FORM 10-Q

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

For the quarterly period ended September 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 1-34474  
Century Aluminum Company

(Exact name of Registrant as specified in its Charter)

Delaware (State or other Jurisdiction of Incorporation or Organization)	13-3070826 (IRS Employer Identification No.)
2511 Garden Road Building A, Suite 200 Monterey, California (Address of principal executive offices)	93940 (Zip Code)

Registrant's telephone number, including area code: (831) 642-9300

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 website, 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

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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 type="radio"/>	Accelerated Filer	<input checked="" type="radio"/>
Non-Accelerated Filer (Do not check if a smaller reporting company)	<input type="radio"/>	Smaller Reporting Company	<input type="radio"/>

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

The registrant had 89,602,808 shares of common stock outstanding at October 31, 2011.

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## PART I – FINANCIAL INFORMATION

## Item 1. Financial Statements

CENTURY ALUMINUM COMPANY  
CONSOLIDATED BALANCE SHEETS  
(Dollars in thousands, except share data)  
(Unaudited)

	September 30, 2011	December 31, 2010
<b>ASSETS</b>		
Cash and cash equivalents	\$ 216,395	\$ 304,296
Restricted cash	—	3,673
Accounts receivable — net	52,067	43,903
Due from affiliates	47,352	51,006
Inventories	165,714	155,908
Prepaid and other current assets	44,491	18,292
Total current assets	526,019	577,078
Property, plant and equipment — net	1,224,319	1,256,970
Due from affiliates – less current portion	—	6,054
Other assets	113,332	82,954
<b>TOTAL</b>	<b>\$ 1,863,670</b>	<b>\$ 1,923,056</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>LIABILITIES:</b>		
Accounts payable, trade	\$ 84,850	\$ 88,004
Due to affiliates	44,905	45,381
Accrued and other current liabilities	58,704	41,495
Accrued employee benefits costs — current portion	16,731	26,682
Convertible senior notes	—	45,483
Industrial revenue bonds	7,815	7,815
Total current liabilities	213,005	254,860
Senior notes payable	249,256	248,530
Accrued pension benefits costs — less current portion	35,963	37,795
Accrued postretirement benefits costs — less current portion	105,767	103,744
Other liabilities	40,739	37,612
Deferred taxes	85,971	85,999
Total noncurrent liabilities	517,696	513,680
<b>COMMITMENTS AND CONTINGENCIES (NOTE 9)</b>		
<b>SHAREHOLDERS' EQUITY:</b>		
Series A Preferred stock (one cent par value, 5,000,000 shares authorized; 80,730 and 82,515 shares issued and outstanding at September 30, 2011 and December 31, 2010, respectively)	1	1
	932	928

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Common stock (one cent par value,  
195,000,000 shares authorized; 93,228,026  
shares issued and 89,602,808 shares  
outstanding at September 30, 2011 and  
92,771,864 issued and outstanding at  
December 31, 2010, respectively)

Additional paid-in capital	2,506,655	2,503,907
Treasury stock, at cost	(38,806 )	—
Accumulated other comprehensive loss	(77,901 )	(49,976 )
Accumulated deficit	(1,257,912 )	(1,300,344 )
Total shareholders' equity	1,132,969	1,154,516
TOTAL	\$ 1,863,670	\$ 1,923,056

See notes to consolidated financial statements

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CENTURY ALUMINUM COMPANY  
CONSOLIDATED STATEMENTS OF OPERATIONS

(Dollars in thousands, except per share amounts)

(Unaudited)

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2011	2010	2011	2010
NET SALES:				
Third-party customers	\$202,598	\$174,339	\$598,001	\$550,316
Related parties	143,048	104,839	440,259	302,104
	345,646	279,178	1,038,260	852,420
Cost of goods sold	334,322	263,409	935,106	781,159
Gross profit	11,324	15,769	103,154	71,261
Other operating expenses (income) – net	2,659	3,096	(8,430 )	12,205
Selling, general and administrative expenses	7,950	12,486	37,116	35,701
Operating income	715	187	74,468	23,355
Interest expense – third party	(5,951 )	(6,477 )	(19,114 )	(19,231 )
Interest income – third party	37	190	257	392
Interest income – related parties	59	113	242	333
Net gain (loss) on forward contracts	4,163	(12,136 )	(2,263 )	(4,814 )
Other income (expense) - net	(1,143 )			