

POTLATCH CORP
Form 10-Q
July 25, 2017

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 June 30, 2017

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 1-32729

POTLATCH CORPORATION

(Exact name of registrant as specified in its charter)

Delaware 82-0156045
(State or other jurisdiction of (IRS Employer
incorporation or organization) Identification No.)

601 West First Avenue, Suite 1600
Spokane, Washington 99201
(Address of principal executive offices) (Zip Code)

(509) 835-1500

(Registrant's telephone number, including area code)

Edgar Filing: POTLATCH CORP - Form 10-Q

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, smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

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 an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange act).

Yes No

The number of shares of common stock of the registrant outstanding as of July 20, 2017 was 40,610,865.

POTLATCH CORPORATION AND CONSOLIDATED SUBSIDIARIES

Table of Contents

	Page Number
PART I. - FINANCIAL INFORMATION	
ITEM 1.	2
	3
	4
	5
	6
ITEM 2.	15
ITEM 3.	24
ITEM 4.	24

Controls and
Procedures

PART II. - OTHER
INFORMATION

ITEM 1.	<u>Legal Proceedings</u>	25
ITEM 1A.	<u>Risk Factors</u>	25
ITEM 2.	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	25
ITEM 6.	<u>Exhibits</u>	25
SIGNATURE		26
<u>EXHIBIT INDEX</u>		27

Part I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Potlatch Corporation and Consolidated Subsidiaries

Consolidated Statements of Income (Loss)

(Unaudited)

(Dollars in thousands, except per share amount)	Three Months Ended		Six Months Ended	
	June 30, 2017	2016	June 30, 2017	2016
Revenues	\$163,229	\$141,495	\$312,910	\$269,391
Costs and expenses:				
Cost of goods sold	111,556	113,377	224,339	223,192
Selling, general and administrative expenses	14,165	13,824	27,154	26,833
Gain on lumber price swap	(3,265)	—	(3,265)	—
Loss on sale of central Idaho timber and timberlands	—	48,522	—	48,522
	122,456	175,723	248,228	298,547
Operating income (loss)	40,773	(34,228)	64,682	(29,156)
Interest expense, net	(7,348)	(8,206)	(12,318)	(14,231)
Income (loss) before income taxes	33,425	(42,434)	52,364	(43,387)
Income tax (provision) benefit	(9,181)	11,196	(11,199)	12,306
Net income (loss)	\$24,244			