BUCKEYE TECHNOLOGIES INC
Form 10-Q
January 31, 2008

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 December 31, 2007

¨ 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: 33-60032

Buckeye Technologies Inc.
Delaware
(state or other jurisdiction of incorporation)

Internal Revenue Service — Employer Identification No. 62-1518973

1001 Tillman Street, Memphis, TN 38112
901-320-8100

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 x 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 filer” or “large accelerated filer” in Rule 12b-2 of the Exchange Act. (Check one).

Large accelerated filer ¨ Accelerated filer x Non-accelerated filer ¨

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

Yes ¨ No x

As of January 29, 2008, there were outstanding 39,262,214Common Shares of the Registrant.

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BUCKEYE TECHNOLOGIES INC.

Item 1. Financial Statements

PART I - FINANCIAL INFORMATION

BUCKEYE TECHNOLOGIES INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

(In thousands, except per share data)

	Three Months Ended December 31		SixMonths Ended December 31	
	2007	2006	2007	2006
Net sales	$ 210,922	$ 184,730	$ 408,321	$ 376,136
Cost of goods sold	168,943	155,711	325,687	317,782
Gross margin	41,979	29,019	82,634	58,354
Selling, research and administrative expenses	11,796	11,163	23,270	22,367
Amortization of intangibles and other	361	507	922	1,138
Restructuring costs	-	11	96	24
Operating income	29,822	17,338	58,346	34,825
Net interest expense and amortization of debt costs	(8,524)	(10,440)	(17,681)	(21,191)
Gain on sale of assets held for sale	-	-	-	355
Extinguishment of debt	251	(96)	(535)	(652)
Foreign exchange and other	(94)	246	(262)	252
Income before income taxes	21,455	7,048	39,868	13,589
Income tax expense	7,589	3,228	12,505	5,962
Net income	$ 13,866	$ 3,820	$ 27,363	$ 7,627
Earnings per share				
Basic	$ 0.36	$ 0.10	$ 0.70	$ 0.20
Diluted	$ 0.35	$ 0.10	$ 0.70	$ 0.20
Weighted average shares for earnings per share				
Basic	38,953	37,702	38,848	37,682
Effect of diluted shares	495	308	506	169
Diluted	39,448	38,010	39,354	37,851

See accompanying notes.

BUCKEYE TECHNOLOGIES INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands)

	December 31 2007 (Unaudited)	June 30 2007
Assets		
Current assets:		
Cash and cash equivalents	$ 23,566	$ 14,790
Accounts receivable –net	120,413	116,865
Inventories– net	92,140	86,777
Deferred income taxes and other	9,371	9,452
Total current assets	245,490	227,884
Property, plant and equipment	1,054,512	1,016,299
Less accumulated depreciation	(511,716)	(478,644)
	542,796	537,655
Goodwill	164,251	155,937
Intellectual property and other, net	30,459	30,346
Total assets	$ 982,996	$ 951,822
Liabilities and stockholders' equity		
Current liabilities:		
Trade accounts payable	$ 38,323	$ 41,030
Accrued expenses	48,636	49,532
Current portion of capital lease obligation	560	399
Short-term debt	219	-
Total current liabilities	87,738	90,961
Long-term debt	413,149	445,138
Accrued postretirement benefits	24,824	24,509
Deferred income taxes	53,223	41,761
Capital lease obligation	-	356
Other liabilities	1,890	1,943
Stockholders' equity	402,172	347,154
Total liabilities and stockholders' equity	$ 982,996	$ 951,822

See accompanying notes.

BUCKEYE TECHNOLOGIES INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

	Six Months Ended December 31 2007	Six Months Ended December 31 2006
Operating activities		
Net income	$ 27,363	$ 7,627
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	25,409	24,311
Amortization	1,126	1,648
Loss on early extinguishment of debt	535	652
Deferred income taxes and other	11,560	3,476
Gain on sale of assets held for sale	-	(355)
Excess tax benefit from stock based compensation	(44)	(5)
Changes in operating assets and liabilities:		
Accounts receivable	(775)	6,860
Inventories	(3,405)	12,392
Other assets	336	(2,857)
Accounts payable and other current liabilities	(7,970)	334
Net cash provided by operating activities	54,135	54,083
Investing activities		
Purchases of property, plant and equipment	(18,692)	(14,325)
Proceeds from sale of assets	-	521
Other	(135)	(280)
Net cash used in investing activities	(18,827)	(14,084)
Financing activities		
Net borrowings(payments)under lines of credit	82,000	(1,487)
Payments on long-term debt and other	(113,817)	(35,689)
Payments for debt issuance costs	(1,401)	-
Net proceeds from sale of equity interests	5,742	1,099
Excess tax benefit from stock based compensation	44	5
Net cash used in financing activities	(27,432)	(36,072)
Effect of foreign currency rate fluctuations on cash	900	32
Increase in cash and cash equivalents	8,776	3,959
Cash and cash equivalents at beginning of period	14,790	8,734
Cash and cash equivalents at end of period	$ 23,566	$ 12,693

See accompanying notes.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

(In thousands)

NOTE 1: BASIS OF PRESENTATION

Our accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (including normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and six months ended December 31, 2007are not necessarily indicative of the results that may be expected for the fiscal year ending June 30, 2008. All significant intercompany accounts and transactions have been eliminated in consolidation. For further information and a listing of our significant accounting policies, refer to the financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended June 30, 2007, which was filed with the Securities and Exchange Commission on September 7, 2007 (“Annual Report”). Except as otherwise specified, references to years indicate our fiscal year ending June 30, 2008or ended June 30 of the year referenced and comparisons are to the corresponding period of the prior year.

Translation adjustment

Management has determined that the local currency of our German, Canadian, and Brazilian subsidiaries is the functional currency, and accordingly European euro, Canadian dollar, and Brazilian real denominated balance sheet accounts are translated into U.S. dollars at the rate of exchange in effect at the balance sheet date. Income and expense activity for the period is translated at the weighted average exchange rate during the period. Translation adjustments are included as a separate component of stockholders' equity.

Use of estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United Statesrequires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from the estimates and assumptions used.

Changes in estimates are recognized in accordance with the accounting rules for the estimate, which is typically in the period when new information becomes available to management. Areas where the nature of the estimate makes it reasonably possible that actual results could materially differ from amounts estimated include: impairment assessments on long-lived assets (including goodwill), allowance for doubtful accounts, inventory reserves, income tax liabilities and contingent liabilities.

NOTE 2: SEGMENT INFORMATION

We report results for two segments, specialty fibers and nonwoven materials. The specialty fiber segment is an aggregation of cellulosic fibers based on both wood and cotton. Management makes financial decisions and allocates resources based on the sales and operating income of each segment. We allocate selling, research and administrative expenses to each segment, and management uses the resulting operating income to measure the performance of the segments. The financial information attributed to these segments is included in the following table:

ThreeMonths Ended December 31		Specialty Fibers	Nonwoven Materials	Corporate	Total
Net sales	2007	$ 148,208	$ 71,966	$ (9,252)	$ 210,922
	2006	130,126	62,488	(7,884)	184,730
Operating income (loss)	2007	25,889	5,273	(1,340)	29,822
	2006	13,194	4,846	(702)	17,338
Depreciation and amortization of	2007	8,157	4,241	744	13,142
Intangibles	2006	7,859	3,965	851	12,675
Capital expenditures	2007	8,468	737	497	9,702
	2006	6,083	580	1,057	7,720

SixMonths Ended December 31		Specialty Fibers	Nonwoven Materials	Corporate	Total
Net sales	2007	$ 283,909	$ 143,596	$ (19,184)	$ 408,321
	2006	265,001	127,455	(16,320)	376,136
Operating income (loss)	2007	47,955	13,227	(2,836)	58,346
	2006	25,482	10,825	(1,482)	34,825
Depreciation and amortization of	2007	16,172	8,473	1,688	26,333
Intangibles	2006	15,557	8,136	1,805	25,498
Capital expenditures	2007	16,388	1,444	860	18,692
	2006	11,656	997	1,672	14,325

Management evaluates operating performance of the specialty fibers and nonwoven materials segments excluding amortization of intangibles, the impact of impairment of long-lived assets and charges related to restructuring. Therefore, the corporate segment includes operating elements,such as segment eliminations, amortization of intangibles, non-allocated administrative costs, impairment of long-lived assets and charges related to restructuring. Corporate net sales represent the elimination of intersegment sales included in the specialty fibers reporting segment. Intersegment sales areat current market prices.

NOTE 3: RESTRUCTURING COSTS AND ASSETS HELD FOR SALE

During fiscal 2007, we entered into a restructuring program that complementedour operations' consolidations and involvedconsolidation in our European sales offices, product and market development and corporate overhead. The total cost of this program was$1,358and wascompleted during the three months ended September 30, 2007. The remaining accrual of $108 will be paid over the next six months. As a result of this restructuring, 22positions wereeliminated which will provide annual savings over $2,000.

	Period Ended December 31, 2007					
	Accrual Balance as of September 30, 2007	Additional Charges	Impact of Foreign Currency	Payments	Accrual Balance as of December 31, 2007	Program Charges to Date
2007 Restructuring Program						
Severance and employee benefits						
Specialty fibers	$ -	$ -	$ -	$ -	$ -	$ 791
Corporate	98	-	-	(98)	-	432
Other miscellaneous expenses						
Specialty fibers	106	-	2	-	108	135
Total 2007 Program	$ 204	$ -	$ 2	$ (98)	$ 108	$ 1,358

In December2006, the remaining assets located at our Glueckstadt facility were sold for $520. Since we previously had written the value of these assets down to $165, we recorded a gain on sale of assets held for sale of $355during the six months ended December 31, 2006.

NOTE 4: INVENTORIES

Inventories are valued at the lower of cost or market. The costs of manufactured cotton-based specialty fibers and costs for nonwoven raw materials are generally determined on the first-in, first-out basis. Other manufactured products and raw materials are generally valued on an average cost basis. Manufactured inventory costs include material, labor and manufacturing overhead. Slash pine timber, cotton fibers and chemicals are the principal raw materials used in the manufacture of our specialty fiber products. Fluff pulp is the principal raw material used in our nonwoven materials products. We take physical counts of inventories at least annually, and we review periodically the provision for potential losses from obsolete, excess or slow-moving inventories.

The components of inventory consist of the following:

	December 31 2007	June 30 2007
Raw materials	$ 26,194	$ 25,816
Finished goods	43,422	39,335
Storeroom and other supplies	22,524	21,626
	$ 92,140	$ 86,777

NOTE 5: DEBT

The components of long-term debt consist of the following:

	December 31 2007	June 30 2007
Senior Notes due:		
2013	$ 200,000	$ 200,000
Senior Subordinated Notes due:		
2008	-	59,948
2010	131,149	151,568
Credit facility	82,000	33,622
	$ 413,149	$ 445,138

Senior Notes- During September2003, we placed privately $200,000 in aggregate principal amount of 8.5% Senior Notes due October 1, 2013. In fiscal year 2004, we exchanged these outstanding notes for public notes with the same terms. The notes are unsecured obligations and are senior to any of our subordinated debt. The notes are guaranteed by our direct and indirect domestic subsidiaries that are also guarantors on our senior secured indebtedness. The senior notes are redeemable at our option, in whole or part, at any time on or after October 1, 2008, at redemption prices varying from 104.25% of principal amount to 100% of principal amount on or after October 1, 2011, together with accrued and unpaid interest to the date of redemption.

Senior Subordinated Notes- During July 1996, we completed a public offering of $100,000 in aggregate principal amount of 9.25% unsecured Senior Subordinated Notes due September 15, 2008 (the “2008 Notes”). On September 17, 2007, we redeemed the remaining $60,000 of the 2008 Notes. As a result of this redemption, we wrote off the remaining balance of deferred financing costs and unamortized discount related to the 2008 Notes.

During June 1998, we completed a private placement of $150,000in aggregateprincipal amount of 8% unsecured Senior Subordinated Notes due October 15, 2010. In fiscal year 1999, we exchanged these outstanding notes for public notes with the same terms. These notes have been redeemable at our option, in whole or in part, at any time since October 15, 2006, at a redemption price of 100% of principal amount together with accrued and unpaid interest to the date of redemption.

On September 24, 2007, we redeemed $20,000 of the 2010 Notes. As a result of this redemption, we wrote off a portion of the deferred financing costs and unamortized discount related to the 2010 Notes.

Revolving Credit Facility- On July 25, 2007, we established a $200,000 senior secured revolving credit facility with a maturity date of July 25, 2012. This facility amendedand restated ourexisting credit facility. Initially, we used proceeds from this new credit facility and cash from operations to pay the outstanding balance on the former credit facility plus fees and expenses. The interest rate applicable to borrowings under the revolver is the agent’s prime rate plus 0.25% to 1.00% or a LIBOR-based rate ranging from LIBOR plus 1.25% to LIBOR plus 2.00%. Our current interest rates are at the lowest end of these ranges available under the revolver. We usedproceeds from this facility to redeem the remaining $60,000 of our 2008 notesandto redeem $20,000 of the 2010 notes in September2007. The credit facility is secured by substantially all of our assets located in the United States.

The credit facility contains covenants customary for financing of this type. The financial covenants include: maximum total leverage ratio of consolidated total debt to consolidated earnings before interest, taxes, depreciation and amortization, orEBITDA, and minimum ratio of consolidated EBITDA to consolidated interest expense. As of December 31, 2007, we were in compliance with the financial covenants under the newcredit facility.

As of December 31, 2007, we had $112,921 available on the revolving credit facility. The commitment fee, on the unused portion of the revolving credit facility, ranges from 0.25% to 0.40% per annum based on a grid related to our leverage ratio. Total costs for the issuance of the facility were approximately $1,570, including $251 of unamortized fees remaining from the revolver and are beingamortized to interest expense using the effective interest method over the life of the facility. During the sixmonths ended December 31, 2007, weexpensed$176as early extinguishment of debt related to the write-off of deferred financing costs for the former term loan.

On September 17, 2007, we entered into an interest rate swap agreement for $30,000 of debt under our revolving credit facility maturing on September 17, 2009. The swap involves the exchange of interest payments from a floating-rate three month LIBOR plus the applicable margin on the revolving credit facility to a fixed rate of 4.79% plus the same applicable margin. This arrangement qualifies as a cash flow hedge under SFAS 133. Therefore, the net effect from the interest rate swap is being recorded as part of interest expense. During the three and six months ended December 31, 2007, the swap reduced our interest expense by $61 and $71, respectively.

NOTE 6: COMPREHENSIVE INCOME

The components of comprehensive income consist of the following:

	ThreeMonths Ended December 31 2007	ThreeMonths Ended December 31 2006	SixMonths Ended December 31 2007	SixMonths Ended December 31 2006
Net income	$ 13,866	$ 3,820	$ 27,363	$ 7,627
Foreign currency translation adjustments –net	7,513	(2,632)	22,422	(3,607)
Unrealized losses on hedging activities	(485)	-	(485)	-
Comprehensive income	$ 20,894	$ 1,188	$ 49,300	$ 4,020

For the threeand six monthsended December 31, 2007, the change in the foreign currency translation adjustment wasdue to fluctuations in the exchange rate of the U.S. dollar against the euro of $3,109 and $6,827, the Brazilian real of $2,147 and $4,640and the Canadian dollar of $2,257 and $10,955, respectively.

For the three and six months ended December 31, 2006, the change in the foreign currency translation adjustmentwasprimarily due to fluctuations in the exchange rate of the U.S. dollar against the euro of $2,550 and $2,317,the Brazilian real of $36 and $(254) and the Canadian dollar of $(5,345) and $(5,975), respectively.

NOTE 7: INCOME TAXES

On July 1, 2007, we adopted the provisions of FASB Interpretation No. (“FIN”) 48, “Accounting for Uncertainty in Income Taxes.” FIN 48 clarifies the accounting for income taxes by prescribing the minimum recognition threshold a tax position is required to meet before being recognized in the financial statements. As a result of the adoption, we recorded an adjustment of approximately $878 to reduce the opening balance of retained earnings. At adoption, our unrecognized tax benefits totaled $1,806. Cumulative potential interest and penalties accrued related to unrecognized tax benefits at the date of adoption totaled $164. We include interest and penalties related to income tax matters as a component of income before income taxes. All unrecognized tax benefits at adoption would affect the effective tax rate, if recognized.

We file income tax returns with federal, state, local and foreign jurisdictions. As of December 31, 2007, we remainedsubject to examinations of our U.S. federal and state income tax returns for the years ended June 30, 2002 through June 30, 2007, Canadian income tax returns for the years ended June 30, 2002 through June 30, 2007 and German tax filings for the years ended June 30, 2003 through June 30, 2007.

Our effective tax ratesfor the three and six month periodsended December 31, 2007were 35.4%and 31.4%, respectively. Our effective tax ratesfor the same periodsof 2006were 45.8%and 43.9%, respectively. The rate decrease for the three month period ended December 31, 2007 was the result of lower losses in Brazil, for which we recorded a 100% valuation allowance, and lower tax rates in Germany. The rate decreasefor the sixmonth period ended December 31, 2007resultedfrom a recently enacted German tax rate reduction and lower losses in Brazil, for which we recorded a 100% valuation allowance. Our income tax expense differs from the amount computed by applying the statutory federal income tax rate of 35% to income before income taxes due to the following:

	Three Months Ended December 31 2007	Three Months Ended December 31 2006	SixMonths Ended December 31 2007	SixMonths Ended December 31 2006
Expected tax expense at 35%	$ 7,509	$ 2,467	$ 13,953	$ 4,756

German tax rate change	-	-	(2,245)	-
Effect of foreign operations	(397)	200	(78)	(390)
Extraterritorial income benefit	-	(117)	-	(213)
Brazilian valuation allowance	404	700	847	2,139
Other	73	(22)	28	(330)
Income tax expense	$ 7,589	$ 3,228	$ 12,505	$ 5,962

NOTE 8: EMPLOYEE BENEFIT PLANS

We provide medical, dental and life insurance postretirement plans covering certain U.S.employees who meet specified age and service requirements. Pursuant to an amendment, effective January 1, 2006, Medicare eligible retirees age 65 or older are no longer covered under the self-funded plan. Instead, they are provided a subsidy towards the purchase of supplemental insurance. The components of net periodic benefit costs are as follows:

	Three Months Ended December 31		SixMonths Ended December 31	
	2007	2006	2007	2006
Service cost for benefits earned	$ 151	$ 150	$ 302	$ 299
Interest cost on benefit obligation	350	352	700	704
Amortization of unrecognized prior service cost	(250)	(251)	(501)	(501)
Actuarial loss	146	142	292	284
Total cost	$ 397	$ 393	$ 793	$ 786

NOTE 9: CONTINGENCIES

On January 3, 2008, K.T. Equipment (International)(K.T.), Inc. filed a claim in the United States District Court, Western District of Tennessee, against us, in which K.T. alleged that webreached ourobligation under the Stac-Pac® acquisition agreement to pay K.T.a contingent promissory note in the principal amount of $5,000plus accrued interest of approximately $2,392 as of December 31, 2007. Payment of the contingent note was dependent on the satisfaction of certain specified conditions relating to the rights obtained by uswith regard to the intellectual property assets. When these conditions were not met pursuant to the terms of the Stac-Pac® acquisition agreement, wecanceled the contingent note in the year ended June 30, 2007, as reported in our 10-K filed September 7, 2007. Webelieve wehavemeritorious defenses to K.T.'s claim and intend to vigorously defend against the claim.

The Foley Plant, located in Perry, Florida, discharges treated wastewater into the Fenholloway River. Under the terms of an agreement with the Florida Department of Environmental Protection ("FDEP"), approved by the U. S. Environmental Protection Agency ("the EPA") in 1995, we agreed to a comprehensive plan to attain Class III ("fishable/swimmable") status for the Fenholloway River under applicable Florida law (the "Fenholloway Agreement"). The Fenholloway Agreement requires us, among other things, to (i) make process changes within the Foley Plant to reduce the coloration of its wastewater discharge, (ii) restore certain wetlands areas, (iii) relocate the wastewater discharge point into the Fenholloway River to a point closer to the mouth of the river, and (iv) provide oxygen enrichment to the treated wastewater prior to discharge at the new location. We have completed the process changes within the Foley Plant as required by the Fenholloway Agreement. In making these in-plant process changes, we incurred significant expenditures, and, as discussed in the following paragraph, we expect to incur significant additional capital expenditures to comply with the remaining obligations under the Fenholloway Agreement.

The EPA objected to the draft National Pollutant Discharge Elimination System (NPDES) permit prepared in connection with the Fenholloway Agreement and requested additional environmental studies to identify possible alternatives to the relocation of the wastewater discharge point, and some members of the public have also challenged the permit. Based on the requirements anticipated inthe proposed permit, we expect to incur capital expenditures of approximately$12.5 million dollars over the next four years (beginning fiscal year 2008) on in-plant process changes, and additional capital expenditures of at least $50 million dollars over at least five years, possibly beginning as early as fiscal year 2012. The amount and timing of these capital expenditures may vary depending on a number of factors including when the permit is issued and whether there are any further changes to the proposed permit. The revised permit may also include a condition requiring additionalstudies that could result in additional treatment costs beyond these expected under the previously proposedpermit. The EPA and FDEP have listed the Fenholloway Riveras an impaired water (not meeting all applicable water quality standards) under the Clean Water Act for certain pollutants. The permitting proceedings discussed above are expected to address these water-quality issues. See Note 20 “Contingencies” to the financial statements included in our Annual Report on Form 10-K for the year ended June 30, 2007.

NOTE 10: CONDENSED CONSOLIDATING FINANCIAL STATEMENTS

The guarantorsubsidiaries presented below represent our subsidiaries that are subject to the terms and conditions outlined in the indenture governing the senior notes and that guarantee the notes, jointly and severally, on a senior unsecured basis. The non-guarantor subsidiaries presented below represent the foreign subsidiaries thatdo not guarantee the senior notes. Each subsidiary guarantor is 100% owned directly or indirectly by us and all guarantees are full and unconditional.

Our supplemental financial information and our guarantor subsidiaries and non-guarantor subsidiaries for the senior notes arepresented in the following tables.

CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS
Three Months Ended December 31, 2007

	Buckeye Technologies Inc.	Guarantors US Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
Net sales	$ 28,124	$ 138,312	$ 54,866	$ (10,380)	$ 210,922
Cost of goods sold	24,815	105,566	48,989	(10,427)	168,943
Gross margin	3,309	32,746	5,877	47	41,979
Selling, research and administrative expenses, and other	(5,271)	14,271	3,157	-	12,157
Operating income	8,580	18,475	2,720	47	29,822
Other income (expense):					
Net interest income (expense) and amortization of debt	(8,631)	(48)	155	-	(8,524)
Other income (expense), including equity income (loss) in affiliates	10,866	21	(145)	(10,585)	157
Intercompany interest income (expense)	8,332	(6,468)	(1,864)	-	-
Income (loss) before income taxes					