

UNIVERSAL CORP /VA/  
Form 10-Q  
August 03, 2017  
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 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: 001-00652

UNIVERSAL CORPORATION

(Exact name of registrant as specified in its charter)

Virginia 54-0414210  
(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification Number)

9201 Forest Hill Avenue, 23235  
Richmond, Virginia (Zip Code)  
(Address of principal executive offices)

804-359-9311  
(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 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 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, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):  
Large accelerated filer  Accelerated filer  Non-accelerated filer

Smaller reporting company  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

As of July 31, 2017, the total number of shares of common stock outstanding was 25,325,595.

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UNIVERSAL CORPORATION

FORM 10-Q

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PART I. FINANCIAL INFORMATION  
ITEM 1. FINANCIAL STATEMENTS

UNIVERSAL CORPORATION  
CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME  
(in thousands, except share and per share data)

	Three Months Ended June 30,	
	2017	2016
	(Unaudited)	
Sales and other operating revenues	\$284,622	\$295,475
Costs and expenses		
Cost of goods sold	230,765	243,278
Selling, general and administrative expenses	47,302	60,199
Operating income (loss)	6,555	(8,002 )
Equity in pretax earnings (loss) of unconsolidated affiliates	(435 )	(130 )
Interest income	670	363
Interest expense	3,932	4,054
Income (loss) before income taxes and other items	2,858	(11,823 )
Income taxes	(463 )	(4,319 )
Net income (loss)	3,321	(7,504 )
Less: net (income) loss attributable to noncontrolling interests in subsidiaries	256	2,028
Net income (loss) attributable to Universal Corporation	3,577	(5,476 )
Dividends on Universal Corporation convertible perpetual preferred stock	—	(3,687 )
Earnings (loss) available to Universal Corporation common shareholders	\$3,577	\$ (9,163 )
Earnings (loss) per share attributable to Universal Corporation common shareholders:		
Basic	\$0.14	\$ (0.40 )
Diluted	\$0.14	\$ (0.40 )
Weighted average common shares outstanding:		
Basic	25,407,293	22,734,225
Diluted	25,632,157	22,734,225
Total comprehensive income (loss), net of income taxes	\$9,109	\$ (12,330 )
Less: comprehensive income attributable to noncontrolling interests, net of income taxes	304	2,245
Comprehensive income (loss) attributable to Universal Corporation, net of income taxes	\$9,413	\$ (10,085 )
Dividends declared per common share	\$0.54	\$0.53

See accompanying notes.

UNIVERSAL CORPORATION  
CONSOLIDATED BALANCE SHEETS

(in thousands of dollars)

	June 30, 2017 (Unaudited)	June 30, 2016 (Unaudited)	March 31, 2017
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 128,605	\$ 316,087	\$ 283,993
Accounts receivable, net	209,321	218,665	439,288
Advances to suppliers, net	58,218	69,044	103,750
Accounts receivable—unconsolidated affiliates	62,239	46,794	2,373
Inventories—at lower of cost or net realizable value:			
Tobacco	917,945	846,356	565,943
Other	74,628	66,080	68,087
Prepaid income taxes	16,523	19,948	16,713
Other current assets	71,823	50,772	81,252
Total current assets	1,539,302	1,633,746	1,561,399
Property, plant and equipment			
Land	22,787	22,927	22,852
Buildings	267,740	264,438	266,802
Machinery and equipment	606,473	593,507	597,213
	897,000	880,872	886,867
Less accumulated depreciation	(580,927 )	(557,856 )	(569,527 )