WHIRLPOOL CORP /DE/
Form DEF 14A
March 07, 2003
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14 (a) of the Securities

Exchange Act of 1934 (Amendment No.)

Filed by the Registrant x

Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement

¨ CONFIDENTIAL, FOR USE OF THE COMMISSION ONLY (AS PERMITTED BY RULE 14A-6 (E) (2))

x Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to (S) 240.14a-11(c) or (S) 240.14a-12

WHIRLPOOL CORPORATION

(Name of Registrant as Specified In Its Charter)

(Name of Person (s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box) :

x No fee required.

¨ Fee computed on table below per Exchange Act Rules 14a-6 (i) (4) and 0-11.

(1) Title of each class of securities to which transactions applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transactions computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined) :

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

¨ Fee paid previously with preliminary materials.

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Notes:

Reg. (S) 240.14a-101

SEC 1913 (3 99)

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WHIRLPOOL CORPORATION

Administrative Center

2000 N. M-63

Benton Harbor, Michigan 49022-2692

To Our Stockholders:

It is my pleasure to invite you to attend the 2003 Whirlpool Corporation annual meeting of stockholders to be held on Tuesday, April 15, 2003, at 9:30 a.m., Chicago time, at The Madison Room, 181 W. Madison Street, 7th Floor, Chicago, Illinois.

The formal notice of the meeting follows on the next page. At the meeting, stockholders will vote on the election of three directors and will transact any other business that may properly come before the meeting. In addition, we will discuss Whirlpool s 2002 performance and the outlook for this year, and answer your questions.

Your vote is important. We urge you to please complete and return the enclosed proxy whether or not you plan to attend the meeting. Promptly returning your proxy will be appreciated, as it will save further mailing expense. You may revoke your proxy at any time prior to the proxy being voted by filing a written revocation with the Secretary of the Company, by providing a proxy with a later date, or by voting in person at the meeting. If you attend the meeting and vote in person, your proxy will not be voted.

Your vote is important and much appreciated!

DAVID R. WHITWAM

Chairman of the Board

and Chief Executive Officer

March 11, 2003

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NOTICE OF 2003 ANNUAL MEETING OF STOCKHOLDERS

The 2003 annual meeting of stockholders of **WHIRLPOOL CORPORATION** will be held at The Madison Room, 181 W. Madison Street, 7th Floor, Chicago, Illinois on Tuesday, April 15, 2003, at 9:30 a.m., Chicago time, for the following purposes:

1. to elect three persons to the Company s Board of Directors; and

2. to transact such other business as may properly come before the meeting.

A list of stockholders entitled to vote at the meeting will be available for examination by any stockholder, for any purpose germane to the meeting, during ordinary business hours, for at least ten days prior to the meeting at EquiServe, One North State Street, 11th Floor, Chicago, Illinois 60602.

By Order of the Board of Directors

ROBERT T. KENAGY

Associate General Counsel and

Corporate Secretary

March 11, 2003

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INFORMATION ABOUT WHIRLPOOL CORPORATION

Whirlpool is the world s leading manufacturer and marketer of major home appliances. We manufacture in 14 countries and market products in more than 170 countries under major brand names such as *Whirlpool, KitchenAid*, *Roper*, *Estate*, *Bauknecht, Ignis*, *Brastemp*, *Consul*, and *Acros*. We are also the principal supplier to Sears, Roebuck and Co. of many major appliances marketed under the *Kenmore* brand name. We have approximately 68,000 employees worldwide. Our headquarters are located in Benton Harbor, Michigan, and our address is 2000 N. M-63, Benton Harbor, Michigan 49022-2692. Our telephone number is (269) 923-5000.

PROXY STATEMENT

Our 2003 annual meeting of stockholders will be held on Tuesday, April 15, 2003, at 9:30 a.m., Chicago time, at The Madison Room, 181 W. Madison Street, 7th Floor, Chicago, Illinois. You are welcome to attend.

Information about this Proxy Statement

We are sending this proxy statement and the enclosed proxy card because Whirlpool s Board of Directors is seeking your permission (or proxy) to vote your shares at the annual meeting on your behalf. This proxy statement presents information we are required to provide to you under the rules of the Securities and Exchange Commission. It is intended to help you in reaching a decision on voting your shares of stock. Only stockholders of record at the close of business on February 28, 2003 are entitled to vote at the meeting. There were 68,273,975 outstanding shares of common stock as of the close of business on February 28, 2003. We have no other voting securities. Stockholders are entitled to one vote per share on each matter. This proxy statement and the accompanying proxy form are first being mailed to stockholders on or about March 11, 2003.

Information about Voting

Stockholders can vote their shares on matters presented at the annual meeting in two ways.

1. By Proxy If you sign and return the accompanying proxy form, your shares will be voted as you direct on the proxy form. If you do not give any direction on the proxy card, the shares will be voted FOR the nominees named for director. You may revoke your proxy at any time before it is exercised by providing a written revocation to Whirlpool s Corporate Secretary, Robert T. Kenagy, by providing a proxy with a later date, or by voting in person at the meeting.

2. In Person You may come to the annual meeting and cast your vote there.

Whirlpool s Board of Directors has adopted a policy requiring all stockholder votes to be kept permanently confidential and not disclosed except (i) when disclosure is required by law, (ii) when a stockholder expressly consents to disclosure, or (iii) when there is a contested election and the proponent filing the opposition statement does not agree to abide by this policy.

Stockholders representing at least 50% of the common stock issued and outstanding must be present at the annual meeting, either in person or by proxy, for there to be a quorum at the annual meeting. Abstentions and broker non-votes are counted as present for establishing a quorum. A broker non-vote occurs when a broker holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power and has not received instructions from the beneficial owner.

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The three directors to be elected at the annual meeting will be elected by a plurality of the votes cast by the stockholders present in person or by proxy and entitled to vote. This means that the three nominees with the most votes will be elected. Votes may be cast for or withheld from each nominee, but a withheld vote or a broker non-vote will have no effect on the outcome of the election. For a stockholder to nominate an individual for director at the meeting, the stockholder must give the Company s Secretary written notice at least 90 days in advance of the annual meeting of the stockholder s intent to make the nomination.

The Board of Directors does not know of any other matter that will be presented at the annual meeting other than the items covered in this proxy statement.

DIRECTORS AND NOMINEES FOR ELECTION AS DIRECTORS

Nominees for a Term to Expire in 2006

GARY T. DICAMILLO, 52, President and Chief Executive Officer of TAC Worldwide Companies (professional staffing services). Director of the Company since 1997 and director of 3Com Corporation, Pella Corporation, and The Sheridan Group.

KATHLEEN J. HEMPEL, 52, former Vice Chairman and Chief Financial Officer of Fort Howard Corporation (paper products; retired 1997). Director of the Company since 1994 and director of Actuant Corporation, Kennametal Inc., Oshkosh Truck Corporation, and A.O. Smith Corporation.

ARNOLD G. LANGBO, 65, former Chairman of the Board and Chief Executive Officer of Kellogg Company (cereal and other products; retired 2000). Director of the Company since 1994 and director of Johnson & Johnson, Weyerhaeuser Company, and The International Youth Foundation.

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Directors Whose Terms Expire in 2005

JEFF M. FETTIG, 46, President and Chief Operating Officer of the Company. Director of the Company since 1999.

JAMES M. KILTS, 55, Chairman of the Board and Chief Executive Officer of The Gillette Company (consumer products). Director of the Company since 1999 and director of Delta Air Lines, Inc. and The May Department Stores Company.

MILES L. MARSH, 55, former Chairman of the Board and Chief Executive Officer of Fort James Corporation (consumer paper products). Director of the Company since 1990 and director of GATX Corporation and Morgan Stanley.

PAUL G. STERN, 64, Partner, Thayer Capital Partners, L.L.P. and Arlington Capital Partners, L.L.P. (private investment companies). Director of the Company since 1990 and director of The Dow Chemical Company.

Directors Whose Terms Expire in 2004

HERMAN CAIN, 57, Chairman of the Board of Godfather s Pizza, Inc. and Chief Executive Officer of T.H.E., Inc. (leadership consulting). Director of the Company since 1992 and director of Aquila, Inc. and The Reader s Digest Association, Inc.

ALLAN D. GILMOUR, 68, Vice Chairman and Chief Financial Officer of Ford Motor Company (cars and trucks, related parts and accessories and financial services). Director of the Company since 1990 and director of DTE Energy Company and Prudential Financial, Inc.

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JANICE D. STONEY, 62, former Executive Vice President, US WEST Communications Group, Inc. (telecommunications products and services; retired 1992). Director of the Company since 1987 (except for part of 1994 during a bid for political office) and director of Williams Companies Inc. and Bridges Investment Fund.

DAVID R. WHITWAM, 61, Chairman of the Board and Chief Executive Officer of the Company. Director of the Company since 1985 and director of PPG Industries, Inc.

The directors have served their respective companies indicated above in various executive or administrative positions for at least the past five years, except for Messrs. Cain, DiCamillo, Gilmour, and Kilts. From 1996 through 1999, Mr. Cain was the Chief Executive Officer and President of the National Restaurant Association (restaurant industry), and from 1999 to 2000 he was Chief Executive Officer and President of Digital Restaurant Solutions Corporation now known as RetailDNA, LLC (restaurant industry). From 1995 to 2002, Mr. DiCamillo was Chairman of the Board and Chief Executive Officer of Polaroid Corporation (imaging products). Mr. Gilmour returned to Ford Motor Company in 2002 after retiring from Ford in 1995. Mr. Kilts was Chief Executive Officer and President of Nabisco Holdings Corp. (food products) from 1998 to 2000. In addition, Mr. Marsh served as Chairman of the Board and Chief Executive Officer of Fort James Corporation from 1997 to 2000 at which time he left the company.

BOARD OF DIRECTORS

The Board held six meetings during 2002. During 2002, each director attended at least 75% of the total number of meetings of the Board and the Board committees on which he or she served.

The Audit Committee (Mr. Gilmour (Chair), Mr. DiCamillo, Mr. Kilts, Mr. Langbo, and Ms. Stoney) provides independent and objective oversight of the Company s accounting functions and internal controls and monitors the objectivity of the Company s financial statements. The Committee assists Board oversight of (1) the integrity of the Company s financial statements, (2) the Company s compliance with legal and regulatory requirements, (3) the independent auditor s qualifications and independence, and (4) the performance of the Company s internal audit function and independent auditors. In performing these functions, the Committee has the responsibility to review and discuss the annual audited financial statements and quarterly financial statements and related reports with management and independent auditors, including the Company s disclosures under Management s Discussion and Analysis of Financial Condition and Results of Operations, to monitor the adequacy of financial disclosure; to retain and terminate the Company s independent auditors and exercise the Committee s sole authority to review and approve all audit engagement fees and terms and pre-approve the nature, extent, and cost of all non-audit services provided by independent auditors; and to review annual reports from the independent auditors regarding their internal quality control procedures. The Committee is comprised of five independent directors who, in the opinion of the Board, meet the relevant financial experience, literacy, and expertise requirements. The Audit Committee held four meetings in 2002.

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The Human Resources Committee (Mr. Kilts (Chair), Mr. Langbo, Mr. Marsh, Dr. Stern, and Ms. Stoney) assures the adequacy of the compensation and benefits of the officers and top management of the Company and compliance with any executive compensation disclosure requirements. In performing these functions the Committee has sole authority and responsibility to retain and terminate any consulting firm assisting in the evaluation of director, CEO, or senior executive compensation. The Committee is comprised of five independent directors. This Committee held two meetings in 2002.

The Corporate Governance and Nominating Committee (Mr. DiCamillo (Chair), Mr. Cain, Ms. Hempel, Mr. Marsh, and Mr. Smith) provides oversight on the broad range of issues surrounding the composition and operation of the Board of Directors, including identifying individuals qualified to become Board members, recommending to the Board director nominees for the next annual meeting of shareholders, and recommending to the Board a set of corporate governance principles applicable to the Company. The Committee also provides assistance to the Board and the Chairman in the areas of Committee selection and rotation practices, evaluation of the overall effectiveness of the Board and management, and review and consideration of developments in corporate governance practices. The Committee retains the sole authority to retain and terminate any search firm to be used to identify director candidates, including sole authority to approve the search firm s fees and other retention terms. On an annual basis, the Committee solicits input from the full Board of Directors and conducts a review of the effectiveness of the operation of the Board and Board Committees, including reviewing governance and operating practices and the Corporate Governance Guidelines for Operation of the Board of Directors. The Committee is comprised of five independent directors. This Committee held five meetings in 2002.

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SECURITY OWNERSHIP

The following table presents the ownership of the only persons known by us as of February 24, 2003 to beneficially own more than 5% of our common stock based upon statements on Schedule 13G filed by such persons with the Securities and Exchange Commission.

Date of 13G Report	Name and Address of Beneficial Owner	Shares Beneficially Owned	Percent of Class
2/12/2003	AXA Financial Inc.(1) 1290 Avenue of the Americas New York, NY 10104	9,346,214	13.69%
2/13/2003	Dodge & Cox(2) One Sansome Street 35th Floor San Francisco, CA 94104	9,046,990	13.25%
2/14/2003	FMR Corp.(3) 82 Devonshire St. Boston, MA 02109	4,576,136	6.70%

(1) According to a Schedule 13G/A filed by AXA Assurances I.A.R.D. Mutuelle, AXA Assurances Vie Mutuelle, AXA Conseil Vie Assurance Mutuelle, AXA Courtage Assurance Mutuelle, AXA and AXA Financial Inc. (on behalf of its two subsidiaries Alliance Capital Management L.P. (Alliance) and The Equitable Life Assurance Society of the United States (Equitable)), each reporting person is deemed to have sole voting power with respect to 4,805,683 shares, shared voting power with respect to 872,302 shares and sole dispositive power with respect to all such shares. However, each reporting person (other than AXA Financial Inc.) expressly disclaims beneficial ownership of all such shares. Of the 9,346,214 shares reported in the Schedule 13G/A, (a) 9,345,714 are owned by Alliance, acquired solely for investment purposes on behalf of client discretionary investment advisory accounts, and (b) 500 shares are owned by Equitable, acquired solely for investment purposes. Alliance has sole voting power with respect to 4,805,683 shares, shared voting power with respect to 872,302 shares and sole dispositive power with respect to 9,345,714 shares. Equitable has sole dispositive power with respect to 500 shares.

(2) According to a Schedule 13G/A filed by Dodge & Cox, an investment advisor, Dodge & Cox has sole voting power with respect to 8,352,540 shares, shared voting power with respect to 153,500 shares and sole dispositive power with respect to all such shares.

(3) According to a Schedule 13G/A filed by FMR Corp. (FMR), Edward C. Johnson III and Abigail P. Johnson, all such shares are beneficially owned by three entities: (a) Fidelity Management & Research Company, a registered investment advisor to various investment companies (Fidelity Funds) and a wholly-owned subsidiary of FMR (FM&RC), (b) Fidelity Management Trust Company, a wholly-owned subsidiary of FMR (FMTC), and (c) Geode Capital Management, LLC, an entity indirectly owned by certain employees and shareholders of FMR (Geode). FM&RC is the beneficial owner of 4,446,970 shares. Mr. Johnson (Chairman of FMR), FMR (through its control of FM&RC) and Fidelity Funds each has sole dispositive power with respect to 4,446,970 shares. Neither Mr. Johnson nor FMR has the sole power to vote or direct the voting of the shares owned directly by Fidelity Funds. The sole voting power of all shares directly owned by Fidelity Funds resides with the Board

of Trustees of such funds. FMTC is the beneficial owner of 128,937 shares as a result of it serving as investment manager of various institutional accounts. Mr. Johnson and FMR (through its control of FMTC) each has sole dispositive power with respect to 128,937 shares and sole voting power with respect to 127,037 shares and no voting power with respect to the 1,900 shares owned by institutional accounts. Geode is the beneficial owner of 229 shares.

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BENEFICIAL OWNERSHIP

The following table reports beneficial ownership of common stock by each director, nominee for director, the Chief Executive Officer and the four other most highly compensated executive officers, and all directors and executive officers of Whirlpool as a group, as of February 24, 2003. Beneficial ownership includes, unless otherwise indicated, all shares with respect to which each director or executive officer, directly or indirectly, has or shares the power to vote or to direct the voting of such shares or to dispose or direct the disposition of such shares.

	Shares Beneficially Owned(1)	Shares Under Exercisable Options(2)	Total	Percentage
Herman Cain	2,706	3,600	6,306	*
Gary T. DiCamillo	3,797	1,800	5,597	*
Jeff M. Fettig	29,775	308,500	338,275	*
Allan D. Gilmour	6,600	4,200	10,800	*
Kathleen J. Hempel	4,600	2,400	7,000	*
James M. Kilts	3,000	1,200	4,200	*
Arnold G. Langbo	4,907	2,400	7,307	*
Miles L. Marsh	6,680	3,600	10,280	*
Paulo F. M. Periquito	56,907	200,500	257,407	*
Philip L. Smith	5,433	4,800	10,233	*
Paul G. Stern	6,200	3,600	9,800	*
Janice D. Stoney	4,900	4,800	9,700	*
David L. Swift	1,880	26,000	27,880	*
Michael A. Todman	4,964	97,000	101,964	*
David R. Whitwam	138,381	717,500	855,881	1.25%
All directors and executive officers as a group (17 persons).	292,856	1,507,200	1,800,056	2.64%

* Represents less than 1% of the outstanding common stock.

(1) Does not include:
- (a) shares subject to currently exercisable options, which information is set forth separately in the second column;
- (b) 1,765,899 shares held by the Whirlpool 401(k) Trust (but does include 21,138 shares held for the accounts of executive officers); and
- (c) 976,300 shares held by the Whirlpool Corporation and Subsidiary Employees Retirement Trust.

(2) Includes shares subject to options that will become exercisable within 60 days.

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EXECUTIVE COMPENSATION

The table below provides a summary of annual and long-term compensation for the last three years of the Chief Executive Officer and the four other most highly compensated executive officers of the Company.

SUMMARY COMPENSATION TABLE (2000-2002)

			Annual Compensation			Long-Term Compensation		
						Awards	Payouts	
Name	Principal Position	Year	Salary	Bonus	Other Annual Comp.(1)	Options (#)	LTIP Payouts ($)(2)	All Other Compensation ($)(3)
David R. Whitwam	Chairman and Chief	2002	$ 1,119,000	$ 1,360,000	$ 0	125,000	$ 643,842	$ 31,284
	Executive Officer	2001	1,089,000	1,320,000	0	120,000	1,353,927	20,382
		2000	1,080,833	850,000	0	120,000	644,711	20,382
Jeff M. Fettig	President and Chief Operating Officer	2002	661,667	619,000	0	70,000	276,264	468
		2001	616,667	629,000	0	70,000	553,779	312
		2000	587,500	450,000	342,771	64,000	234,677	256
Paulo F. M. Periquito		2002	512,504	552,000	165,024	33,000	230,243	23,001
	Executive Vice President and President, Latin America	2001	512,504	1,698,087(4)	185,312	33,000	470,223	23,302
		2000	500,000	360,000	206,458	33,000	267,538	27,651
David L. Swift	Executive Vice President, North	2002	475,000	576,000(5)	0	27,000	235,245	2,220
	American Region	2001	48,580	400,000(5)	0	25,000	329,798	90
Michael A. Todman	Executive Vice	2002						
	President and	2001	Property, plant and equipment, net	$ 56,657	$ 37,843		$ 44,292	
	President,	2000						
	Whirlpool Europe							

Depreciation expense was $1.6 million and $1.5 million for the three months ended May 31, 2008 and 2007, and $4.6 million and $3.7 million for the nine months ended May 31, 2008 and 2007, respectively.

(8) Credit Arrangements

Euro Line of Credit

The Company s wholly-owned European subsidiary, Lindsay Europe, has an unsecured revolving line of credit with a commercial bank under which it could borrow up to 2.3 million Euros, which equates to approximately USD $3.6 million as of May 31, 2008, for working capital purposes (the Euro Line of Credit). As of May 31, 2008 and 2007, and August 31, 2007, there was $1.5 million, $0 and $0.7 million outstanding on the Euro Line of Credit, respectively, which was included in other current liabilities on the consolidated balance sheets. Under the terms of the Euro Line of Credit, borrowings, if any, bear interest at a variable rate in effect from time to time designated by the lending bank as Euro LIBOR plus 200 basis points (all inclusive, 5.5% at May 31, 2008). Unpaid principal and interest is due by October 31, 2008, which is the termination date of the Euro Line of Credit.

BSI Term Note

The Company entered into an unsecured $30 million Term Note and Credit Agreement, effective June 1, 2006, with Wells Fargo Bank, N.A. (the BSI Term Note) to partially finance the acquisition of BSI. Borrowings under the BSI Term Note bear interest at a rate equal to LIBOR plus 50 basis points. The Company has fixed the rate at 6.05% through an interest rate swap as described in Note 9, *Financial Derivatives*. Principal is repaid quarterly in equal payments of $1.1 million over a seven-year period that began in September of 2006. The BSI Term Note is due in June of 2013.

Snoline Term Note

The Company entered into an unsecured $13.2 million seven-year Term Note and Credit Agreement, effective December 27, 2006, with Wells Fargo Bank, N.A. (the Snoline Term Note) to partially finance the acquisition of Snoline S.P.A. (Snoline). Borrowings under the Snoline Term Note are guaranteed by the Company and bear interest at a rate equal to LIBOR plus 50 basis points. On the same day, the Company entered into a cross currency swap transaction obligating the Company to make quarterly payments of 0.4 million Euros per quarter over the same seven-year period and to receive payments of $0.5 million per quarter. This is approximately equivalent to converting the $13.2 million seven-year Term Note into a 10.0 million Euro seven-year Term Note at a fixed rate of 4.7% as described in Note 9, *Financial Derivatives*. The Snoline Term Note is due in December of 2013.

Revolving Credit Agreement

The Company entered into an unsecured $30.0 million Revolving Credit Note and Revolving Credit Agreement, each effective as of January 24, 2008, with Wells Fargo Bank, N.A. (collectively, the Revolving Credit Agreement). The borrowings from the Revolving Credit Agreement will primarily be used for working capital purposes and funding acquisitions. The Company borrowed an initial amount of $15.0 million under the Revolving Credit Agreement to partially fund the acquisition of Watertronics during the second quarter of fiscal 2008. The Company subsequently repaid the $15.0 million in the third quarter of fiscal 2008, leaving no outstanding balance and an unused borrowing capacity of $30.0 million under the Revolving Credit Agreement as of May 31, 2008.

Borrowings under the Revolving Credit Agreement bear interest at a rate equal to LIBOR plus 50 basis points. Interest is paid on a monthly to quarterly basis depending on loan type. The Company also pays an annual commitment fee of 0.125% on the unused portion of the Revolving Credit Agreement. Unpaid principal and interest is due by January 23, 2010, which is the termination date of the Revolving Credit Agreement.

The BSI Term Note, the Snoline Term Note and the Revolving Credit Agreement (collectively, the Notes) each contain the same covenants, including certain covenants relating to Lindsay s financial condition. Upon the occurrence of any event of default of these covenants specified in the Notes, including a change in control of the Company (as defined in the Notes), all amounts due thereunder may be declared to be immediately due and payable.

Long-term debt consists of the following:

$ in thousands	**May 31, 2008**	**May 31, 2007**	**August 31, 2007**
Term Notes payable	$ 33,339	$ 39,510	$ 37,967
Revolving Credit Agreement			
Less current portion	(6,171)	(6,171)	(6,171)
Total long-term debt	$ 27,168	$ 33,339	$ 31,796

Interest expense was $0.8 million for both the three months ended May 31, 2008 and 2007, and $2.2 million and $1.8 million for the nine months ended May 31, 2008 and 2007, respectively.

Principal payments due on long-term debt are as follows:

Due within:	
1 year	$ 6,171
2 years	6,171
3 years	6,171
4 years	6,171
5 years	6,171
Thereafter	2,484
	$ 33,339

(9) Financial Derivatives

The Company uses certain financial derivatives to mitigate its exposure to volatility in interest rates and foreign currency exchange rates. The Company uses these derivative instruments to hedge exposures in the ordinary course of business and does not invest in derivative instruments for speculative purposes. As of May 31, 2008, the Company held two derivative instruments accounted for as cash flow hedges and one derivative accounted for as a hedge of net investments in foreign operations. The Company accounts for these derivative instruments in accordance with SFAS No. 133, *Accounting for Derivatives Instruments and Hedging Activity* (SFAS No. 133), which requires all derivatives to be carried on the balance sheet at fair value and to meet certain documentary and analytical requirements to qualify for hedge accounting treatment. All of the Company s derivatives qualify for hedge accounting under SFAS No. 133 and, accordingly, changes in the fair value are reported in accumulated other comprehensive income, net of related income tax effects.

In order to reduce interest rate risk on the BSI Term Note, the Company entered into an interest rate swap agreement with Wells Fargo Bank, N.A. that is designed to convert the variable interest rate on the entire amount of this borrowing to a fixed rate of 6.05% per annum. Under the terms of the interest rate swap, the Company receives variable interest rate payments and makes fixed interest rate payments on an amount equal to the outstanding balance of the BSI Term Note, thereby creating the equivalent of fixed-rate debt. Changes in the fair value of the interest rate swap designated as a hedging instrument that effectively offset the variability of cash flows associated with variable-rate, long-term debt obligations are reported in accumulated other comprehensive income, net of related income tax effects. The fair value of the swap agreement at May 31, 2008 and 2007 was a liability of $1.4 million and $0.3 million, respectively. For the three months and nine months ended May 31, 2008 and 2007, less than $0.1 million was recorded in the consolidated statements of operations related to ineffectiveness of this interest rate swap.

Similarly, the Company entered into a cross currency swap transaction fixing the conversion rate of Euro to U.S. dollars for the Snoline Term Note at 1.3195 and obligating the Company to make quarterly payments of 0.4 million Euros per quarter over the same seven-year period as the Snoline Term Note and to receive payments of $0.5 million per quarter. In addition, the variable interest rate was converted to a fixed rate of 4.7%. This is approximately equivalent to converting the $13.2 million seven-year Snoline Term Note into a 10.0 million Euro seven-year Term Note at a fixed rate of 4.7%. Under the terms of the cross currency swap, the Company receives variable interest rate payments and makes fixed interest rate payments, thereby creating the equivalent of fixed-rate debt. Changes in the fair value of the cross currency swap designated as a hedging instrument that effectively offset the variability of cash flows associated with variable-rate, long-term debt obligations are reported in accumulated other comprehensive income, net of related income tax effects. As of May 31, 2008 and 2007, the fair value of the swap agreement was a liability of $1.9 million and $0.1 million, respectively. For the three months and nine months ended May 31, 2008 and 2007, there were no amounts recorded in the consolidated statement of operations related to ineffectiveness of this cross currency swap.

During the third quarter of fiscal 2008, the Company entered into Euro foreign currency forward contracts to hedge its Euro net investment exposure in its foreign operations. At May 31, 2008, the Company had one outstanding Euro foreign currency forward contract to sell 12.5 million Euro on August 29, 2008 at a fixed price of $1.5437 USD per Euro. The exchange rate at May 31, 2008 was $1.5523 USD per Euro. The Company s foreign currency forward contract qualifies as a hedge of net investments in foreign operations under the provisions of SFAS No. 133. Changes in fair value of derivatives that qualify as hedges of a net investment in foreign operations are recorded in accumulated currency translation adjustment in accumulated other comprehensive income, net of related income tax effects. As of May 31, 2008, the balance sheet reflected a derivative asset of less than $0.1 million with a corresponding increase to currency translation adjustment in accumulated other comprehensive income, net of related income tax effects related to the outstanding foreign currency forward contract. For the three months and nine months ended May 31, 2008 and 2007, there were no amounts recorded in the consolidated statement of operations related to ineffectiveness of Euro foreign currency forward contracts.

(10) Commitments and Contingencies

In 1992, the Company entered into a consent decree with the Environmental Protection Agency of the United States Government (the EPA) in which the Company committed to remediate environmental contamination of the groundwater that was discovered in 1982 through 1990 at and adjacent to its Lindsay, Nebraska facility (the site). The site was added to the EPA s list of priority superfund sites in 1989. Between 1993 and 1995, remediation plans for the site were approved by the EPA and fully implemented by the Company. Since 1998, the primary remaining contamination at the site has been the presence of volatile organic chemicals in the groundwater. In 2003, the Company and the EPA conducted a second five-year review of the status of the remediation of the contamination of the site. As a result of this review, the EPA issued a letter placing the Company on notice that additional remediation actions were required. The Company and its environmental consultants have completed and submitted a supplemental remedial action work plan that, when implemented, will allow the Company and the EPA to better identify the boundaries of the contaminated groundwater and will allow the Company and the EPA to more effectively assure that the contaminated groundwater is being contained by current and planned wells that pump and aerate it. During fiscal 2007, the Company increased its environmental remediation accrual for expected costs to address the additional remediation action required by the EPA and to remain in compliance with the EPA s second five-year review. Although the Company has been able to reasonably estimate the cost of completing the remediation actions defined in the supplemental remedial action work plan, it is at least reasonably possible that the cost of completing the remediation actions will be revised in the near term. Related balance sheet liabilities recognized were $0.3 million, $0.7 million and $0.7 million at May 31, 2008 and 2007, and August 31, 2007, respectively.

(11) Retirement Plan

The Company has a supplemental non-qualified, unfunded retirement plan for two current and four former executives. Plan benefits are based on the participant s average total compensation during the three highest compensation years of employment during the ten years immediately preceding the participant s retirement or termination. This unfunded supplemental retirement plan is not subject to the minimum funding requirements of ERISA. The Company has purchased life insurance policies on four of the participants named in this supplemental retirement plan to provide partial funding for this liability. Components of net periodic benefit cost for the Company s supplemental retirement plan include:

	Three months ended May 31,		Nine months ended May 31,	
$ in thousands	**2008**	**2007**	**2008**	**2007**
Net periodic benefit cost:				
Service cost	$ 10	$ 8	$ 31	$ 24
Interest cost	84	77	251	231
Net amortization and deferral	41	40	122	120
Total net periodic benefit cost	$ 135	$ 125	$ 404	$ 375

(12) Warranties

The Company generally warrants its products against certain manufacturing and other defects. These product warranties are provided for specific periods and/or usage of the product. The accrued product warranty costs are for a combination of specifically identified items and other incurred, but not identified, items based primarily on historical experience of actual warranty claims. This reserve is classified within other current liabilities.

The following tables provide the changes in the Company s product warranties:

	Three months ended May 31,	
$ in thousands	**2008**	**2007**
Warranties:		
Product warranty accrual balance, beginning of period	$ 1,927	$ 1,590
Liabilities accrued for warranties during the period	1,214	629
Warranty claims paid during the period	(834)	(376)
Product warranty accrual balance, end of period	$ 2,307	$ 1,843

	Nine months ended May 31,	
$ in thousands	**2008**	**2007**
Warranties:		
Product warranty accrual balance, beginning of period	$ 1,644	$ 1,996
Liabilities accrued for warranties during the period	2,310	933
Warranty claims paid during the period	(1,647)	(1,086)
Product warranty accrual balance, end of period	$ 2,307	$ 1,843

(13) Industry Segment Information

The Company manages its business activities in two reportable segments:

Irrigation: This segment includes the manufacture and marketing of center pivot, lateral move, and hose reel irrigation systems as well as various water pumping stations and controls. The irrigation segment consists of eight operating segments that have similar economic characteristics and meet the aggregation criteria of SFAS No. 131, *Disclosures About Segments of an Enterprise and Related Information,* (SFAS No. 131).

Infrastructure: This segment includes the manufacture and marketing of movable barriers, specialty barriers and crash cushions; providing outsource manufacturing services and the manufacturing and selling of large diameter steel tubing. The infrastructure segment consists of three operating segments that have similar economic characteristics and meet the aggregation criteria of SFAS No. 131.

The accounting policies of the two reportable segments are described in the Accounting Policies section of Note A to the consolidated financial statements contained in the Company s Form 10-K for the fiscal year ended August 31, 2007. The Company evaluates the performance of its reportable segments based on segment sales, gross profit, and operating income, with operating income for segment purposes excluding general and administrative expenses (which include corporate expenses), interest income, interest expense, other income and expenses, and income taxes. Operating income for segment purposes does include selling expenses, engineering and research expenses and other overhead charges directly attributable to the segment. There are no inter-segment sales. Certain segment reporting proscribed by SFAS No. 131 is not shown as this information cannot be reasonably disaggregated by segment and is not utilized by the Company s management.

The Company had no single customer representing 10% or more of its total revenues during the nine months ended May 31, 2008 or 2007, respectively.

Summarized financial information concerning the Company s reportable segments is shown in the following table:

	Three months ended May 31,		Nine months ended May 31,	
$ in thousands	**2008**	**2007**	**2008**	**2007**
Operating revenues:				
Irrigation	$ 120,554	$ 75,420	$ 259,686	$ 164,329
Infrastructure	23,008	17,727	68,222	44,024
Total operating revenues	$ 143,562	$ 93,147	$ 327,908	$ 208,353
Operating income:				
Irrigation	$ 26,409	$ 15,346	$ 52,098	$ 25,676
Infrastructure	2,153	3,159	11,484	10,045
Segment operating income	28,562	18,505	63,582	35,721
Unallocated general and administrative expenses	(8,112)	(6,991)	(20,763)	(17,885)
Interest and other income, net	(142)	21	(488)	58
Earnings before income taxes	$ 20,308	$ 11,535	$ 42,331	$ 17,894
Total Capital Expenditures:				
Irrigation	$ 1,079	$ 62	$ 2,929	$ 2,944
Infrastructure	2,672	2,163	8,091	3,727
	$ 3,751	$ 2,225	$ 11,020	$ 6,671
Total Depreciation and Amortization:				
Irrigation	$ 1,064	$ 1,006	$ 2,869	$ 2,840
Infrastructure	1,284	1,054	3,778	2,516

	$ 2,348	$ 2,060	$ 6,647	$ 5,356

	May 31, 2008	**May 31, 2007**	**August 31, 2007**
Total Assets:			
Irrigation	$ 198,124	$ 151,019	$ 143,893
Infrastructure	103,362	84,625	98,312
	$ 301,486	$ 235,644	$ 242,205

(14) Share Based Compensation

The Company accounts for awards of share-based compensation in accordance with Statement of Financial Accounting Standards No. 123, (revised 2004), *Share-Based Payment*, (SFAS No. 123(R)) which requires the measurement and recognition of compensation expense for all share-based payment awards made to employees and directors based on estimated fair values. The Company s current share-based compensation plan, approved by the stockholders of the Company, provides for awards of stock options, restricted shares, restricted stock units, stock appreciation rights, performance shares and performance stock units to employees and non-employee directors of the Company. Share-based compensation expense was $1.1 million and $0.6 million for the three months ended May 31, 2008 and 2007, and $2.4 million and $1.7 million for the nine months ended May 31, 2008 and 2007, respectively.

In November 2007, the Company granted restricted stock units and performance stock units under its 2006 Long-Term Incentive Plan. The restricted stock units granted to employees vest over a three-year period at approximately 33% per year. In January 2008, the Company granted restricted stock units under its 2006 Long-Term Incentive Plan to non-employee directors of the Company. The restricted stock units granted to non-employee directors vest on November 1, 2008. A specified number of shares of common stock will be awarded under the terms of the performance stock units after a three-year vesting period, if performance measures relating to three-year average revenue growth and a three-year average return on net assets are achieved. The restricted stock units and performance stock units granted to employees and non-employee directors have a grant date fair value equal to the fair market value of the underlying stock on the grant date less present value of expected dividends. In connection with the restricted stock units and performance stock units, the Company is accruing compensation expense based on the estimated number of shares expected to be issued utilizing the most current information available to the Company at the date of the financial statements.

ITEM 2 ***Management s Discussion and Analysis of Results of Operations and Financial Condition***

Concerning Forward-Looking Statements

This quarterly report on Form 10-Q contains not only historical information, but also forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Statements that are not historical are forward-looking and reflect expectations for future Company conditions or performance. In addition, forward-looking statements may be made orally or in press releases, conferences, reports, on the Company s worldwide web site, or otherwise, in the future by or on behalf of the Company. When used by or on behalf of the Company, the words expect , anticipate , estimate , believe , intend , and similar expressions generally identify forward-looking statements. The entire section entitled Market Conditions and Fiscal 2008 Outlook should be considered forward-looking statements. For these statements, the Company claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

Forward-looking statements involve a number of risks and uncertainties, including but not limited to those discussed in the Risk Factors section in the Company s annual report on Form 10-K for the year ended August 31, 2007. Readers should not place undue reliance on any forward-looking statement and should recognize that the statements are predictions of future results or conditions, which may not occur as anticipated. Actual results or conditions could differ materially from those anticipated in the forward-looking statements and from historical results, due to the risks and uncertainties described herein, as well as others not now anticipated. The risks and uncertainties described herein are not exclusive and further information concerning the Company and its businesses, including factors that potentially could materially affect the Company s financial results, may emerge from time to time. Except as required by law, the Company assumes no obligation to update forward-looking statements to reflect actual results or changes in factors or assumptions affecting such forward-looking statements.

Accounting Policies

In preparing the Company s condensed consolidated financial statements in conformity with U.S. generally accepted accounting principles, management must make a variety of decisions, which impact the reported amounts and the related disclosures. These decisions include the selection of the appropriate accounting principles to be applied and the assumptions on which to base accounting estimates. In making these decisions, management applies its judgment based on its understanding and analysis of the relevant circumstances and the Company s historical experience.

The Company s accounting policies that are most important to the presentation of its results of operations and financial condition, and which require the greatest use of judgments and estimates by management, are designated as its critical accounting policies. See further discussion of the Company s critical accounting policies under Item 7 Management s Discussion and Analysis of Financial Condition and Results of Operations in the Company s Annual Report on Form 10-K for the Company s year ended August 31, 2007. Management periodically re-evaluates and adjusts its critical accounting policies as circumstances change. There were no changes in the Company s critical accounting policies during the nine months ended May 31, 2008.

Overview

Lindsay Corporation (Lindsay or the Company) is a leading designer and manufacturer of self-propelled center pivot and lateral move irrigation systems that are used principally in the agricultural industry to increase or stabilize crop production while conserving water, energy, and labor. The Company has been in continuous operation since 1955, making it one of the pioneers in the automated irrigation industry. Through the recent acquisition of Watertronics, Inc. (Watertronics), the Company has enhanced its position in water pumping station controls with further opportunities for integration with irrigation control systems. The Company also manufactures and markets various infrastructure products, including movable barriers for traffic lane management, crash cushions, preformed reflective pavement tapes and other road safety devices. In addition, the Company s infrastructure segment produces large diameter steel tubing, and provides outsourced manufacturing and production services for other companies. Industry segment information about Lindsay is included in Note 13 to the condensed consolidated financial statements.

Lindsay, a Delaware corporation, maintains its corporate offices in Omaha, Nebraska, USA. The Company s principal irrigation manufacturing facilities are located in Lindsay, Nebraska, USA. The Company also has international sales and irrigation production facilities in France, Brazil, South Africa, and China, which provide it with important bases of operations in key international markets. Lindsay Europe SAS, located in France, was acquired in

March 2001 and manufactures and markets irrigation equipment for the European market. Lindsay America do Sul Ltda., located in Brazil, was acquired in April 2002 and manufactures and markets irrigation equipment for the South American market. Lindsay Manufacturing Africa, (PTY) Ltd, located in South Africa, was organized in September 2002 and manufactures and markets irrigation equipment for the South African market. The Company also leases warehouse facilities in Beijing and Dalian, China.

Watertronics, located in Hartland, Wisconsin, designs, manufactures, and services water pumping stations and controls for the golf, landscape and municipal markets. Watertronics has been in business since 1986 and was acquired by the Company in January 2008.

Lindsay has two additional irrigation operating subsidiaries. Irrigation Specialists, Inc. (Irrigation Specialists) is a retail irrigation dealership based in Washington State that operates at three locations. Irrigation Specialists was acquired by the Company in March 2002 and provides a strategic distribution channel in a key regional irrigation market. Lindsay Transportation, Inc., located in Lindsay, Nebraska, primarily provides delivery of irrigation equipment in the U.S.

Barrier Systems, Inc. (BSI), located in Rio Vista, California, manufactures movable barrier products, specialty barriers and crash cushions. BSI has been in business since 1984 and was acquired by the Company in June 2006. On November 2007, the Company completed the acquisition of certain assets of Traffic Maintenance Attenuators, Inc. and Albert W. Unrath, Inc. through a wholly owned subsidiary of BSI. The assets acquired primarily relate to patents that will enhance the Company s highway safety product offering globally.

Snoline S.P.A. (Snoline), located in Milan, Italy, was acquired in December 2006, and is engaged in the design, manufacture and sales of road marking and safety equipment for use on roadways.

Results of Operations

For the Three Months ended May 31, 2008 compared to the Three Months ended May 31, 2007

The following section presents an analysis of the Company s condensed consolidated operating results displayed in the consolidated statements of operations for the three months ended May 31, 2008 and 2007. It should be read together with the industry segment information in Note 13 to the condensed consolidated financial statements:

$ in thousands	**Three months ended May 31, 2008**	**2007**	**Percent Increase (Decrease)**
Consolidated			
Operating revenues	$143,562	$93,147	54.1%
Cost of operating revenues	$106,460	$68,725	54.9%
Gross profit	$ 37,102	$24,422	51.9%
Gross margin	25.8%	26.2%	
Operating expenses	$ 16,652	$12,908	29.0%
Operating income	$ 20,450	$11,514	77.6%
Operating margin	14.2%	12.4%	
Interest expense	$ (787)	$ (826)	-4.7%
Interest income	$ 346	$ 477	-27.5%
Other income (expense), net	$ 299	$ 370	-19.2%
Income tax provision	$ 6,201	$ 4,058	52.8%
Effective income tax rate	30.5%	35.2%	
Net earnings	$ 14,107	$ 7,477	88.7%
Irrigation Equipment Segment			
Operating revenues	$120,554	$75,420	59.8%
Operating income (1)	$ 26,409	$15,346	72.1%
Operating margin (1)	21.9%	20.3%	
Infrastructure Products Segment			
Operating revenues	$ 23,008	$17,727	29.8%
Operating income (1)	$ 2,153	$ 3,159	-31.8%
Operating margin (1)	9.4%	17.8%	

(1) Excludes unallocated general & administrative expenses. Beginning in the fourth quarter of fiscal 2007, engineering and research expenses have been allocated to each of the Company s reporting segments; prior year disclosures have been modified accordingly.

Revenues

Operating revenues for the three months ended May 31, 2008 increased by 54% to $143.6 million compared with $93.1 million for the three months ended May 31, 2007. This increase is attributable to a $45.2 million increase in irrigation equipment revenues and a $5.3 million increase in infrastructure segment revenues.

Domestic irrigation equipment revenues for the three months ended May 31, 2008 of $79.1 million increased 46% from $54.1 million as compared to the same period last year. Economic conditions for U.S. farmers remain very robust, due to higher agricultural commodity prices. At the end of the Company s third quarter of fiscal 2008, corn prices were up 57% over the same time last year, soybean prices were up 66%, and wheat prices were up more than 44%. Net Farm Income is currently projected to be up by 4.1% for the 2008 crop year, achieving a new record of $92.3 billion. Recent wet weather conditions have jeopardized earlier production and yield estimates for corn in the U.S., pushing commodity prices higher. The year-over-year higher commodity prices have favorably impacted demand. In addition, the recently passed economic stimulus package provides opportunities for farmers to accelerate depreciation on equipment purchases, which is likely to positively affect calendar 2008 demand for irrigation equipment.

International irrigation equipment revenues for the three months ended May 31, 2008 of $41.5 million increased 95% from $21.3 million as compared to the same prior year period. The higher global commodity prices, pressure on increasing food production, and demand for biofuels have increased investments in agricultural development, including expanding efficient irrigation. Exports were up in all regions, and were up in total more than 115% over the same quarter last year, driven by agricultural development and yield improvement initiatives. In addition, the Company has seen significant growth in revenues from each of its international irrigation business units.

Infrastructure products segment revenues for the three months ended May 31, 2008 of $23.0 million increased $5.3 million from the same prior year period. The increase in revenues is attributable to the lower margin highway tape product line from Snoline and from the Company s Diversified Manufacturing business unit. BSI revenues were also higher in the quarter. While BSI completed a significant project in Puerto Rico during the quarter, the Company continues to see strong domestic and international interest in its movable barrier and crash cushion product lines.

Gross Margin

Gross profit was $37.1 million for the three months ended May 31, 2008, an increase of $12.7 million as compared to the three months ended May 31, 2007. Gross margin was 25.8% for the three months ended May 31, 2008 compared to 26.2% for the same prior year period. The gross margin on irrigation products increased during the quarter over the same time last year, while margin on infrastructure products decreased due to unfavorable product mix and higher input costs on contract manufacturing orders.

Operating Expenses

The Company s operating expenses of $16.7 million for the three months ended May 31, 2008 were $3.7 million higher than the same prior year period. The increase is primarily due to the inclusion of Watertronics, acquired in January of 2008, and higher personnel related expenses.

Interest, Other Income (Expense), net, and Taxes

Interest expense during the three months ended May 31, 2008 remained flat compared to the same prior year period.

Interest income of $0.3 million for the three months ended May 31, 2008 decreased $0.1 million compared to the prior year period. The decrease is primarily the result of lower interest bearing deposits and bond balances compared to the prior year period. Interest bearing deposit balances were lower due to working capital needs of the business.

Other income, net during the three months ended May 31, 2008 decreased by $0.1 million when compared with the same prior year period.

The Company s effective tax rate of 30.5% for the three months ended May 31, 2008 is lower than the statutory effective tax rate primarily due to a correction of previously recorded tax expense related to Section 162(m) of the Internal Revenue Code, which resulted in a $1.1 million reduction in income tax expense for the quarter or $0.09 per diluted share (see Note 1 of the condensed consolidated financial statements). The rate was lower than the statutory rate after the correction due to the Section 199 domestic production activities deduction and other tax credits.

Net Earnings

Net earnings were $14.1 million or $1.15 per diluted share, for the three months ended May 31, 2008 compared with $7.5 million or $0.62 per diluted share for the same prior year period.

For the Nine Months Ended May 31, 2008 compared to the Nine Months Ended May 31, 2007

The following section presents an analysis of the Company s condensed consolidated operating results displayed in the consolidated statements of operations for the nine months ended May 31, 2008 and 2007. It should be read together with the industry segment information in Note 13 to the condensed consolidated financial statements:

$ in thousands	**Nine months ended May 31, 2008**	**2007**	**Percent Increase (Decrease)**
Consolidated			
Operating revenues	$327,908	$208,353	57.4%
Cost of operating revenues	$241,472	$157,011	53.8%
Gross profit	$ 86,436	$ 51,342	68.4%
Gross margin	26.4%	24.6%	
Operating expenses	$ 43,617	$ 33,506	30.2%
Operating income	$ 42,819	$ 17,836	140.1%
Operating margin	13.1%	8.6%	
Interest expense	$ (2,207)	$ (1,845)	19.6%
Interest income	$ 1,199	$ 1,539	-22.1%
Other income (expense), net	$ 520	$ 364	42.9%
Income tax provision	$ 14,178	$ 6,122	131.6%
Effective income tax rate	33.5%	34.2%	
Net earnings	$ 28,153	$ 11,772	139.2%
Irrigation Equipment Segment			
Operating revenues	$259,686	$164,329	58.0%
Operating income (1)	$ 52,098	$ 25,676	102.9%
Operating margin (1)	20.1%	15.6%	
Infrastructure Products Segment			
Operating revenues	$ 68,222	$ 44,024	55.0%
Operating income (1)	$ 11,484	$ 10,045	14.3%
Operating margin (1)	16.8%	22.8%	

(1) Excludes unallocated general & administrative expenses. Beginning in the fourth quarter of fiscal 2007, engineering and research expenses have been allocated to each of the Company s reporting segments; prior year disclosures have been

modified
accordingly.

Revenues

Operating revenues for the nine months ended May 31, 2008 increased 57% to $327.9 million compared with $208.4 million for the nine months ended May 31, 2007. This increase is attributable to a $95.4 million increase in irrigation equipment revenues and a $24.1 million increase in infrastructure products segment revenues.

Domestic irrigation equipment revenues for the nine months ended May 31, 2008 increased $50.1 million or 43% compared to the same period last year. Management believes that the combination of factors described above in the discussion of the three months ended May 31, 2008 also contributed to the increase in domestic irrigation revenues for the nine-month period.

International irrigation equipment revenues for the nine months ended May 31, 2008 increased $45.3 million or 96% over the first nine months of fiscal 2007. Management believes that the combination of factors described above in the discussion of the three months ended May 31, 2008 also contributed to the increase in international irrigation revenues for the nine-month period.

Infrastructure products segment revenues of $68.2 million for the nine months ended May 31, 2008 represented an increase of $24.1 million or 55% from the same prior year period. The increase in revenues is attributable to strong revenues from BSI, rising more than 45% over the same period in the prior year. BSI completed a significant project in Puerto Rico during the third quarter and continues to see strong domestic and international interest in its moveable barrier and crash cushion product lines. Revenues from Snoline were also higher due to the inclusion of four additional months of activity when compared to the same period in the prior year, as the business was acquired at the end of December 2006. Revenues for the Company s Diversified Manufacturing business unit were also higher in the period.

Gross Margin

Gross profit for the nine months ended May 31, 2008 was $86.4 million, an increase of $35.1 million as compared to the same prior year period. Gross margin percentage for the nine months ended May 31, 2008 increased to 26.4% from the 24.6% achieved during the same prior year period. The improved gross margin is a result of achieving higher margins in the irrigation equipment market resulting from improved efficiencies in the manufacturing operations, increased volume and cost reduction initiatives. The increased irrigation equipment margins were slightly offset by decreased infrastructure products margins resulting from unfavorable product mix and higher input costs on contract manufacturing orders.

Operating Expenses

Operating expenses during the first nine months of fiscal 2008 rose by $10.1 million or 30% from the same prior year period. The increase in operating expenses for the nine months ended May 31, 2008 is primarily attributable to the inclusion of Watertronics, acquired in January of 2008, and Snoline, acquired in December of 2006, as well as higher personnel related expenses.

Interest, Other Income (Expense), net, Taxes

Interest expense during the nine months ended May 31, 2008 of $2.2 million increased $0.4 million from the $1.8 million recognized during the same period of fiscal 2007. The increase in interest expense was primarily due to an increase in borrowings incurred to finance the acquisitions of Snoline and Watertronics.

Interest income during the nine months ended May 31, 2008 decreased by $0.3 million compared to the same prior year period. The Company had lower interest bearing deposits and bond balances compared to the same prior year period due to working capital needs of the business.

Other income, net during the nine months ended May 31, 2008 increased by $0.2 million when compared with the same prior year period. The increase is primarily due to gains realized on foreign currency transactions, partially offset by other expenses.

The Company s effective tax rate of 33.5% for the nine months ended May 31, 2008 is lower than the statutory effective tax rate primarily due to a correction of previously recorded tax expense related to Section 162(m) of the Internal Revenue Code, which resulted in a $0.5 million reduction in year to date income tax expense or $0.04 per diluted share (see Note 1 of the Notes to Condensed Consolidated Financial Statements). The rate was lower than the statutory rate after the correction due to federal tax-exempt interest income on the investment portfolio, the Section 199 domestic production activities deduction, and other tax credits.

Net Earnings

Net earnings were $28.2 million or $2.29 per diluted share for the nine months ended May 31, 2008 compared with $11.8 million or $0.99 per diluted share for the same prior year period.

Liquidity and Capital Resources

The Company requires cash for financing its receivables and inventories, paying operating costs and capital expenditures, and for dividends. The Company meets its liquidity needs and finances its capital expenditures from its available cash and funds provided by operations along with borrowings under three primary credit arrangements that are described in Note 8 of the condensed consolidated financial statements.

The Company s cash and cash equivalents and marketable securities totaled $19.1 million at May 31, 2008 compared with $40.7 million at May 31, 2007. At May 31, 2008, the Company held no marketable securities.

The Company s wholly-owned European subsidiary, Lindsay Europe, has an unsecured revolving line of credit with a commercial bank under which it could borrow up to 2.3 million Euros, which equates to approximately USD $3.6 million as of May 31, 2008, for working capital purposes. As of May 31, 2008 and 2007, there was $1.5 million and $0 outstanding on the Euro Line of Credit, respectively. Under the terms of the Euro Line of Credit, borrowings, if any, bear interest at a variable rate in effect from time to time designated by the commercial banks as Euro LIBOR plus 200 basis points (all inclusive, 5.5% at May 31, 2008). Unpaid principal and interest is due by October 31, 2008, which is the termination date of the Euro Line of Credit.

The Company entered into an unsecured $30 million Term Note and Credit Agreement, each effective as of June 1, 2006, with Wells Fargo Bank, N.A. (collectively, the BSI Term Note) to partially finance the acquisition of BSI. Borrowings under the BSI Term Note bear interest at a rate equal to LIBOR plus 50 basis points. However, this variable interest rate has been converted to a fixed rate of 6.05% through an interest rate swap agreement with the lender. Principal is repaid quarterly in equal payments of $1.1 million over a seven-year period commencing September, 2006. The BSI Term Note is due in June of 2013.

On December 27, 2006, the Company entered into an unsecured $13.2 million seven-year Term Note and Credit Agreement (the Snoline Term Note) with Wells Fargo Bank, N.A. in conjunction with the acquisition of Snoline, S.P.A. and the holding company of Snoline, Flagship Holding Ltd. Borrowings under the Snoline Term Note are guaranteed by the Company and bear interest at a rate equal to LIBOR plus 50 basis points. On the same day, the Company entered into a cross currency swap transaction obligating the Company to make quarterly payments of 0.4 million Euros per quarter over the same seven-year period and to receive payments of $0.5 million per quarter. In addition, the variable interest rate was converted to a fixed rate of 4.7%. This is approximately equivalent to converting the $13.2 million seven-year Snoline Term Note into a 10.0 million Euro seven-year Term Note at a fixed rate of 4.7%. The Snoline Term Note is due in December of 2013.

The Company entered into an unsecured $30.0 million Revolving Credit Note and Revolving Credit Agreement, each effective as of January 24, 2008, with Wells Fargo Bank, N.A. (collectively, the Revolving Credit Agreement). The borrowings from the Revolving Credit Agreement will primarily be used for working capital purposes and funding acquisitions. The Company borrowed an initial amount of $15.0 million under the Revolving Credit Agreement during the second quarter of fiscal 2008 to partially fund the acquisition of Watertronics The Company subsequently repaid the $15.0 million in the third quarter of fiscal 2008, leaving no outstanding balance and an unused borrowing capacity of $30.0 million under the Revolving Credit Agreement as of May 31, 2008.

Borrowings under the Revolving Credit Agreement bear interest at a rate equal to LIBOR plus 50 basis points. Interest is repaid on a monthly or quarterly basis depending on loan type. The Company also pays a commitment fee of 0.125% on the unused portion of the Revolving Credit Agreement. Unpaid principal and interest is due by January 23, 2010, which is the termination date of the Revolving Credit Agreement.

The BSI Term Note, the Snoline Term Note and the Revolving Credit Agreement (collectively, the Notes) each contain the same covenants, including certain covenants relating to Lindsay s financial condition. Upon the occurrence of any event of default of these covenants specified in the Notes, including a change in control of the Company (as defined in the Notes), all amounts due under the Notes may be declared to be immediately due and payable. At May 31, 2008, the Company was in compliance with all loan covenants.

The Company believes its current cash resources, projected operating cash flow, and bank lines of credit are sufficient to cover all of its expected working capital needs, planned capital expenditures, dividends, and other cash requirements, excluding potential acquisitions.

Cash used in operations totaled $3.6 million during the nine months ended May 31, 2008 compared to $4.4 million used in operations during the same prior year period. The decrease in cash used in operations was primarily due to a $16.4 million increase in cash provided by net income, a $1.3 million increase in depreciation and amortization, a $5.5 million increase in other current liabilities, a $1.6 million decrease in other current assets and a $1.3 million increase in accounts payable. These were partially offset by an $18.9 million increase in receivables, a $4.4 million increase in current taxes payable and $3.1 million net increase in other noncurrent assets and liabilities.

Cash used in investing activities totaled $4.4 million during the nine months ended May 31, 2008 compared to cash used in investing activities of $25.9 million during the nine months ended May 31, 2007. The decrease in cash used in investing activities was primarily due to a $52.9 million decrease in purchases of marketable securities, partially offset by a decrease of $23.4 million from proceeds from maturities of marketable securities, a $3.7 million increase in cash used for the acquisition of businesses, and a $4.3 million increase in cash used for purchases of property, plant and equipment.

Cash provided by financing activities totaled $5.2 million during the nine months ended May 31, 2008 compared to cash provided by financing activities of $8.8 million during the same prior year period. The decrease in cash provided by financing activities was primarily due to a $15.9 million increase in principal payments on long-term debt. These were partially offset by a $7.7 million increase in excess tax benefits from stock-based compensation, $3.1 million increase in proceeds from the issuance of common stock under the stock compensation plan and a $1.8 million increase in proceeds from issuance of long-term debt.

Off-Balance Sheet Arrangements

The Company has certain off balance sheet arrangements as described in Note Q to the consolidated financial statements in the Company s Annual Report on Form 10-K for the year ended August 31, 2007. The Company does not believe these arrangements are reasonably likely to have a material effect on the Company s financial condition.

Contractual Obligations and Commercial Commitments

In addition to the contractual obligations and commercial commitments described in the Company s Annual Report on Form 10-K for the year ended August 31, 2007, on January 24, 2008, the Company entered into an unsecured $30.0 million Revolving Credit Note and Revolving Credit Agreement with Wells Fargo Bank, N.A. There have been no other material changes in the Company s contractual obligations and commercial commitments as described in the Company s Annual Report on Form 10-K for the fiscal year ended August 31, 2007, including the effects of the adoption of FIN 48.

Market Conditions and Fiscal 2008 Outlook

Strong agricultural commodity prices and higher Net Farm Income are favorable drivers for the Company s irrigation equipment. Globally, long-term drivers remain positive as population growth, the need for productivity improvements and fresh water constraints drive demand for the Company s efficient irrigation technology. In addition, the Company expects the strength of demand and interest in road safety infrastructure products to have a favorable impact on the Company. Demand for the Company s products may, however, be adversely affected by variable factors such as weather, crop prices and governmental action including funding delays. The Company will continue to create shareholder value by pursuing a balance of organic growth opportunities, strategic acquisitions, share repurchases and dividend payments.

Recently Issued Accounting Pronouncements

In September 2006, the FASB issued SFAS No. 157, *Fair Value Measurements,* (SFAS No. 157), which defines fair value, establishes a framework for measuring fair value in accordance with U.S. generally accepted accounting principles, and expands disclosures about fair value measurements. SFAS No. 157 will be effective for the Company beginning in the first quarter of its fiscal year 2009. Management is currently assessing the effect of this pronouncement on the Company s consolidated financial statements.

In February 2007, the FASB issued SFAS No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities,* (SFAS No. 159). This Statement, which is expected to expand fair value measurement, permits entities to elect to measure many financial instruments and certain other items at fair value. SFAS No. 159 will be effective for the Company beginning in the first quarter of its fiscal year 2009. Management is currently assessing the effect of this pronouncement on the Company s consolidated financial statements.

In December 2007, the FASB issued SFAS No. 141 (revised 2007), *Business Combinations* (SFAS No. 141R). SFAS No. 141R establishes principles and requirements for how an acquirer recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, any noncontrolling interest in the acquiree and the goodwill acquired. SFAS No. 141R also establishes disclosure requirements to enable the evaluation of the nature and financial effects of the business combination. SFAS No. 141R will be effective for the Company beginning in the first quarter of its fiscal year 2010. Management is currently assessing the effect of this pronouncement on the Company s consolidated financial statements.

In March 2008, the FASB issued SFAS No. 161, *Disclosures about Derivative Instruments and Hedging Activities an amendment to SFAS No. 133* (SFAS No. 161), which requires enhanced disclosures about how derivative and hedging activities affect the Company s financial position, financial performance and cash flows. SFAS No. 161 will be effective for the Company beginning in the second quarter of its fiscal year 2009. Management is currently assessing the effect of this pronouncement on the Company s consolidated financial statements.

In May 2008, FASB issued SFAS No. 162, *The Hierarchy of Generally Accepted Accounting Principles* (SFAS No. 162). SFAS No. 162 identifies the sources of accounting principles and the framework for selecting the principles used in the preparation of financial statements of nongovernmental entities that are presented in conformity with generally accepted accounting principles in the United States (GAAP). SFAS No. 162 will be effective 60 days following the SEC s approval of the Public Company Accounting Oversight Board s related amendments to remove the GAAP hierarchy from auditing standards. The Company does not believe the adoption will have a material impact on its consolidated financial statements.

In April 2008, the FASB issued FASB Staff Position No. FAS 142-3, *Determination of the Useful Life of Intangible Assets* (FSP No. FAS 142-3). FSP No. FAS 142-3 requires companies estimating the useful life of a recognized intangible asset to consider their historical experience in renewing or extending similar arrangements or, in the absence of historical experience, to consider assumptions that market participants would use about renewal or extension as adjusted for SFAS No. 142 s, *Goodwill and Other Intangible Assets,* entity-specific factors. FSP No. FAS 142-3 will be effective for the Company beginning in the first quarter of its fiscal year 2010. Management is currently assessing the effect of this pronouncement on the Company s consolidated financial statements.

ITEM 3 Quantitative and Qualitative Disclosures About Market Risk

The Company uses certain financial derivatives to mitigate its exposure to volatility in interest rates and foreign currency exchange rates. The Company uses these derivative instruments to hedge exposures in the ordinary course of business and does not invest in derivative instruments for speculative purposes.

The Company has manufacturing operations in the United States, France, Brazil, Italy and South Africa. The Company has sold products throughout the world and purchases certain of its components from third-party international suppliers. Export sales made from the United States are principally U.S. dollar denominated. Accordingly, these sales are not subject to significant currency transaction risk. However, a majority of the Company s revenue generated from operations outside the United States is denominated in local currency. The Company s most significant transactional foreign currency exposures are the Euro, the Brazilian real, and the South African rand in relation to the U.S. dollar. Fluctuations in the value of foreign currencies create exposures, which can adversely affect the Company s results of operations.

In order to reduce translation exposure resulting from translating the financial statements of its international subsidiaries into U.S. dollars, the Company utilizes Euro foreign currency forward contracts to hedge its Euro net investment exposure in its foreign operations. At May 31, 2008, the Company had one outstanding Euro foreign currency forward contract to sell 12.5 million Euro on August 29, 2008 at a fixed price of $1.5437 USD per Euro. The exchange rate at May 31, 2008 was $1.5523 USD per Euro. The Company s foreign currency forward contract qualifies as a hedge of net investments in foreign operations under the provisions of SFAS No. 133.

In order to reduce interest rate risk on the $30 million BSI Term Note, the Company has entered into an interest rate swap agreement with Wells Fargo Bank, N.A. that is designed to convert the variable interest rate on the entire amount of this borrowing to a fixed rate of 6.05% per annum. Under the terms of the interest rate swap, the Company receives variable interest rate payments and makes fixed interest rate payments on an amount equal to the outstanding balance of the BSI Term Note, thereby creating the equivalent of fixed-rate debt.

Similarly, the Company entered into a cross currency swap transaction fixing the conversion rate of Euros to U.S. dollars for the Snoline Term Note at 1.3195 and obligating the Company to make quarterly payments of 0.4 million Euros per quarter over the same seven-year period as the Snoline Term Note and to receive payments of $0.5 million per quarter. In addition, the variable interest rate was converted to a fixed rate of 4.7%. This is approximately equivalent to converting the $13.2 million seven-year Snoline Term Note into a 10.0 million Euro seven-year Term Note at a fixed rate of 4.7%. Under the terms of the cross currency swap, the Company receives variable interest rate payments and makes fixed interest rate payments, thereby creating the equivalent of fixed-rate debt.

ITEM 4 ***Controls and Procedures***

As of the end of the period covered by this report, the Company carried out an evaluation under the supervision and the participation of the Company s management, including the Company s principal executive officer (PEO) and principal financial officer (PFO), of the effectiveness of the design and operation of the Company s disclosure controls and procedures pursuant to Exchange Act Rules 13a-15(e) and 15d-15(e). Based upon that evaluation, the PEO and PFO concluded that the Company s disclosure controls and procedures were effective as of May 31, 2008.

Additionally, the PEO and PFO determined that there have been no significant changes to the Company s internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) during the last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company s internal control over financial reporting.

Part II **OTHER INFORMATION**

ITEM 1 ***Legal Proceedings***

In the ordinary course of its business operations, the Company is involved, from time to time, in commercial litigation, employment disputes, administrative proceedings, and other legal proceedings. None of these proceedings, individually or in the aggregate, is expected to have a material effect on the business or financial condition of the Company.

Environmental Matters

In 1992, the Company entered into a consent decree with the Environmental Protection Agency of the United States Government (the EPA) in which the Company committed to remediate environmental contamination of the groundwater that was discovered in 1982 through 1990 at and adjacent to its Lindsay, Nebraska facility (the site). The site was added to the EPA s list of priority superfund sites in 1989. Between 1993 and 1995, remediation plans for the site were approved by the EPA and fully implemented by the Company. Since 1998, the primary remaining contamination at the site has been the presence of volatile organic chemicals in the groundwater. In 2003, the

Company and the EPA conducted a second five-year review of the status of the remediation of the contamination of the site. As a result of this review, the EPA issued a letter placing the Company on notice that additional remediation actions were required. The Company and its environmental consultants have completed and submitted a supplemental remedial action work plan that, when implemented, will allow the

Company and the EPA to better identify the boundaries of the contaminated groundwater and will allow the Company and the EPA to more effectively assure that the contaminated groundwater is being contained by current and planned wells that pump and aerate it. During fiscal 2007, the Company increased its environmental remediation accrual for expected costs to address the additional remediation action required by the EPA and to remain in compliance with the EPA s second five-year review. Although the Company has been able to reasonably estimate the cost of completing the remediation actions defined in the supplemental remedial action work plan, it is at least reasonably possible that the cost of completing the remediation actions will be revised in the near term. Related balance sheet liabilities recognized were $0.3 million, $0.7 million and $0.7 million at May 31, 2008 and 2007, and August 31, 2007, respectively.

ITEM 1A ***Risk Factors***

There have been no material changes in our risk factors as described in our Form 10-K for the fiscal year ended August 31, 2007.

ITEM 2 ***Unregistered Sales of Equity Securities and Use of Proceeds***

The Company made no repurchases of its common stock under the Company s stock repurchase plan during the nine months ended May 31, 2008; therefore, tabular disclosure is not presented. From time to time, the Company s Board of Directors has authorized the Company to repurchase shares of the Company s common stock. Under this share repurchase plan, the Company has existing authorization to purchase, without further announcement, up to 881,139 shares of the Company s common stock in the open market or otherwise.

ITEM 6 ***Exhibits***

3(a)	Restated Certificate of Incorporation of the Company, incorporated by reference to Exhibit 3.1 to the Company s Current Report on Form 8-K filed on December 14, 2006.
3(b)	Restated By-Laws of the Company, incorporated by reference to Exhibit 3.1 of the Company s Current Report on Form 8-K filed on November 6, 2007.
4(a)	Specimen Form of Common Stock Certificate, incorporated by reference to Exhibit 4(a) of the Company s Quarterly Report on Form 10-Q for the fiscal quarter ended November 30, 2006.
31(a)*	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 18 U.S.C. Section 1350.
31(b)*	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 18 U.S.C. Section 1350.
32(a)*	Certification of Chief Executive Officer and Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 18 U.S.C. Section 1350.

* - filed herein

SIGNATURE

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on this 7th day of July 2008.

LINDSAY CORPORATION

By: /s/ TIM J. PAYMAL
Name: Tim J. Paymal
Title: *Vice President and Chief Accounting Officer*
(Principal Financial Officer)