

SILGAN HOLDINGS INC  
Form 10-Q  
November 08, 2018

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2018  
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 000-22117

SILGAN HOLDINGS INC.

(Exact name of Registrant as specified in its charter)

Delaware	06-1269834
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

4 Landmark Square  
Stamford, Connecticut 06901  
(Address of principal executive offices) (Zip Code)  
(203) 975-7110  
(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

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

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filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer  [ X ]

Accelerated filer  [ ]

Non-accelerated filer  [ ] (Do not check if a smaller reporting company)

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  [ X ]

As of October 31, 2018, the number of shares outstanding of the Registrant’s common stock, \$0.01 par value, was 110,617,896.

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## Part I. Financial Information

## Item 1. Financial Statements

## SILGAN HOLDINGS INC.

## CONDENSED CONSOLIDATED BALANCE SHEETS

(Dollars in thousands)

	Sept. 30, 2018 (unaudited)	Sept. 30, 2017 (unaudited)	Dec. 31, 2017
Assets			
Current assets:			
Cash and cash equivalents	\$ 171,369	\$ 199,186	\$ 53,533
Trade accounts receivable, net	783,306	702,307	454,637
Inventories	690,378	704,384	721,290
Prepaid expenses and other current assets	67,492	62,463	62,462
Total current assets	1,712,545	1,668,340	1,291,922
Property, plant and equipment, net	1,502,231	1,472,321	1,489,872
Goodwill	1,156,051	1,160,453	1,171,454
Other intangible assets, net	392,144	422,050	417,088
Other assets, net	295,228	297,926	275,113
	\$5,058,199	\$5,021,090	\$4,645,449
Liabilities and Stockholders' Equity			
Current liabilities:			
Revolving loans and current portion of long-term debt	\$ 733,404	\$ 640,390	\$ 108,789
Trade accounts payable	552,897	487,775	659,629
Accrued payroll and related costs	71,658	69,044	66,257
Accrued liabilities	101,895	122,129	123,602
Total current liabilities	1,459,854	1,319,338	958,277
Long-term debt	2,186,275	2,465,780	2,438,502
Deferred income taxes	279,449	395,181	262,394
Other liabilities	220,704	217,688	220,211
Stockholders' equity:			
Common stock	1,751	1,751	1,751
Paid-in capital	272,301	258,653	262,201
Retained earnings	1,970,875	1,651,760	1,809,845
Accumulated other comprehensive loss	(212,256 )	(170,263 )	(188,973 )
Treasury stock	(1,120,754 )	(1,118,798 )	(1,118,759 )
Total stockholders' equity	911,917	623,103	766,065
	\$5,058,199	\$5,021,090	\$4,645,449

See accompanying notes.



SILGAN HOLDINGS INC.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(Dollars and shares in thousands, except per share amounts)

(Unaudited)

	Three Months Ended		Nine Months Ended	
	Sept. 30,	Sept. 30,	Sept. 30,	Sept. 30,
	2018	2017	2018	2017
Net sales	\$1,306,999	\$1,266,930	\$3,378,383	\$3,094,150
Cost of goods sold	1,102,892	1,061,289	2,840,991	2,611,836
Gross profit	204,107	205,641	537,392	482,314
Selling, general and administrative expenses	73,690	75,149	228,691	232,461
Rationalization charges	288			