

KRONOS INTERNATIONAL INC
Form 10-Q
November 03, 2009

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the quarter ended September 30, 2009
Commission file number 333-100047

KRONOS INTERNATIONAL, INC.
(Exact name of Registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

22-2949593
(IRS Employer Identification No.)

5430 LBJ Freeway, Suite 1700
Dallas, Texas 75240-2697
(Address of principal executive offices)

Registrant's telephone number, including area code: (972) 233-1700

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 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

* The registrant has not yet been phased into the interactive data requirements.

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company (as defined in Rule 12b-2 of the Securities Exchange Act of 1934). Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

Number of shares of the Registrant's common stock outstanding on October 31, 2009: 2,968.

The Registrant is a wholly owned subsidiary of Kronos Worldwide, Inc. (File No. 1-31763) and meets the conditions set forth in General Instructions H(1)(a) and H(1)(b) of Form 10-Q for reduced disclosure format.

KRONOS INTERNATIONAL, INC. AND SUBSIDIARIES

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KRONOS INTERNATIONAL, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(In millions)

ASSETS	December 31, 2008	September 30, 2009 (Unaudited)
Current assets:		
Cash and cash equivalents	\$10.8	\$39.0
Restricted cash	1.5	1.1
Accounts and other receivables	132.1	164.6
Inventories	303.9	190.8
Prepaid expenses and other	3.0	7.1
Total current assets	451.3	402.6
Other assets:		
Deferred financing costs, net	6.8	6.3
Deferred income taxes	166.4	189.7
Other	4.6	4.9
Total other assets	177.8	200.9
Property and equipment:		
Land	35.9	42.3
Buildings	171.9	181.6
Equipment	807.8	861.3
Mining properties	73.9	114.9
Construction in progress	37.9	14.7
	1,127.4	1,214.8
Less accumulated depreciation and amortization	703.0	780.1
Net property and equipment	424.4	434.7
Total assets	\$1,053.5	\$1,038.2

KRONOS INTERNATIONAL, INC. AND SUBSIDIARIES

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CONDENSED CONSOLIDATED BALANCE SHEETS (CONTINUED)

(In millions)

	December 31, 2008	September 30, 2009 (Unaudited)
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current liabilities:		
Current maturities of long-term debt	\$.8	\$1.7
Accounts payable and accrued liabilities	147.8	158.9
Income taxes	3.6	3.5
Deferred income taxes	4.6	4.9
Total current liabilities	156.8	169.0
Noncurrent liabilities:		
Long-term debt	604.8	613.7
Deferred income taxes	13.0	13.6
Accrued pension cost	114.0	113.2
Other	27.6	28.3
Total noncurrent liabilities	759.4	768.8