

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

Filing Date: **2004-02-12** | Period of Report: **2004-02-12**
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FILER

JARDEN CORP

CIK: **895655** | IRS No.: **351828377** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **001-13665** | Film No.: **04588341**
SIC: **5190** Miscellaneous nondurable goods

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RYE NY 10580

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914 967 9400

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): February 12, 2004

Jarden Corporation

(Exact name of registrant as specified in its charter)

Delaware

0-21052

35-1828377

(State or other jurisdiction
of incorporation)

(Commission File Number)

(IRS Employer
Identification No.)

555 Theodore Fremd Avenue, Rye, New York

10580

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code (914) 967-9400

(Former name or former address, if changed since last report.)

Item 7. Financial Statements and Exhibits

(c) Exhibits. The following Exhibits are filed herewith as part of this report:

Exhibit Description

Item 9. Regulation FD

The following information is furnished under this Item 9 in satisfaction of Item 12, "Disclosure of Results of Operations and Financial Condition."

On February 12, 2004, we issued a press release announcing our 2003 fourth quarter and year end earnings. A copy of our press release announcing the above is furnished herewith as Exhibit 99.1 and is incorporated herein by reference.

The information furnished herein, including Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933.

The earnings press release furnished herewith contains financial measures that are not in accordance with generally accepted accounting principles in the United States ("GAAP"). The Company has provided reconciliations within the earnings release of the non-GAAP financial measures to the most directly comparable GAAP financial measures. EBITDA is presented in this press release because the Company's credit facility and senior subordinated notes contain financial and other covenants which are based on or refer to the Company's EBITDA. Additionally, EBITDA is a basis upon which our management assesses financial performance and we believe it is frequently used by securities analysts, investors and other interested parties in measuring the operating performance and creditworthiness of companies with comparable market capitalization to the Company, many of which present EBITDA when reporting their results. Furthermore, EBITDA is one of the factors used to determine the total amount of bonuses available to be awarded to executive officers and other employees. EBITDA is widely used by the Company to evaluate potential acquisition candidates. Adjusted EBITDA and diluted earnings per share, excluding non-cash restricted stock charge and net release of tax valuation allowance, are presented in this press release because they are a basis upon which the Company's management has assessed its financial performance in the years presented. In addition, the Company's credit agreement has provided for the non-cash restricted stock charge to be excluded in calculations used for determining whether the Company is in compliance with certain credit agreement covenants.

Item 12. Results of Operations and Financial Condition

See Item 9 per SEC Release 33-8216, March 27, 2003.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: February 12, 2004

JARDEN CORPORATION

By: /s/ Desiree DeStefano

Name: Desiree DeStefano
Title: Senior Vice President

[JARDEN CORPORATION LOGO OMITTED]

FOR: Jarden Corporation

CONTACT: Martin E. Franklin
Chairman and
Chief Executive Officer
Jarden Corporation
914-967-9400

Investor Relations:
Cara O'Brien/Melissa Myron
Press: Evan Goetz/Jennifer McCullam
Financial Dynamics
212-850-5600

FOR IMMEDIATE RELEASE

JARDEN REPORTS FOURTH QUARTER AND 2003 YEAR END RESULTS

RYE, NY - FEBRUARY 12, 2004 - JARDEN CORPORATION (NYSE:JAH) today reported its financial results for the fourth quarter and year ended December 31, 2003.

For the fourth quarter of 2003, net sales increased 82% to \$191.4 million compared to \$104.9 million for the same quarter last year. Fourth quarter net income increased 59% to \$15.6 million, or \$0.57 per diluted share, excluding a non-cash restricted stock charge and related tax benefit, compared to net income in the same quarter last year of \$9.8 million, or \$0.44 per diluted share, which excludes a tax charge of \$0.5 million relating to a valuation allowance that was recorded. On a reported basis, net income for the fourth quarter of 2003 was \$2.3 million, or \$0.09 per diluted share and net income for the fourth quarter of 2002 was \$9.3 million, or \$0.42 per diluted share. Current year amounts include the contribution from Lehigh Consumer Products Corporation and the operations of the former Diamond Brands business, which were acquired in September 2003 and February 2003, respectively. All per share amounts reflect the 3-for-2 stock split that became effective during November 2003.

Martin E. Franklin, Chairman and Chief Executive Officer, commented, "Our businesses continued their momentum during the fourth quarter to post across the board strong results, particularly in the consumer solutions and branded consumables segments. In its seasonally strongest quarter, consumer solutions performed well throughout the holiday season and posted a 25% increase in revenue over the same period last year. Approximately 10% of this increase was driven by organic growth in FoodSaver(R) sales with the balance being from VillaWare(R)

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branded sales. Branded consumables sales were driven by a number of our new sales and marketing initiatives, including the launch of White River Farms(R) branded cookie mixes-in-a-jar on a popular televised shopping channel and a number of new product initiatives with new and existing customers. These strong sales translated into record fourth quarter operating profits and EPS, excluding the net effect of the non-cash restricted stock charge."

For the year ended December 31, 2003, net sales increased 60% to \$587.4 million, compared with \$367.1 million in 2002. Net income in 2003 increased 41% to \$45.1 million, or \$1.91 per diluted share, excluding a non-cash restricted stock charge and related tax benefit, compared to net income in 2002 of \$31.9 million, or \$1.48 per diluted share, which excludes a tax benefit resulting from the net release of a \$4.4 million valuation allowance that had previously been established. On a reported basis, net income for 2003 was \$31.8 million, or \$1.35 per diluted share and net income for 2002 was \$36.3 million, or \$1.68 per diluted share. Current year amounts include the results of Lehigh, the results of operations from the former Diamond Brands business and the results of Tilia, which were acquired in September 2003, February 2003 and April 2002, respectively.

Mr. Franklin continued, "2003 was another great year for the Jarden portfolio of businesses, as evidenced by our 60% sales growth and strong bottom line results. We are proud of a number of behind-the-scenes initiatives we were able to complete, including acquisition integration, systems upgrades and new product and marketing programs, which were an integral part of our success in 2003. In addition, our growth was fueled not only by acquisitions, but also organically, most notably at our consumer solutions business where we grew the top line over 10% on a comparable basis to 2002. The consumable bags and accessories component of the FoodSaver(R) business continued to increase, highlighting the recurring use of the FoodSaver(R) home vacuum packaging machines once installed in consumers' homes."

Mr. Franklin concluded, "We have entered 2004 with all our segments in a position to grow organically while maintaining our historical EBITDA margin expectations. With over \$125 million of cash on the balance sheet at the end of the year, we continue to actively pursue acquisition opportunities that would further add to EPS growth in 2004."

The Company will be holding a conference call at 9:45 AM (Eastern) today, February 12, 2004, to further discuss its results and respond to questions. The call will be accessible via a webcast through the Company's website at www.jarden.com.

Jarden Corporation is a leading provider of niche consumer products used in and around the home, under well-known brand names including Ball(R), Bernardin(R), Crawford(R), Diamond(R), FoodSaver(R), Forster(R), Kerr(R),

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Lehigh(R), Leslie-Locke(R) and VillaWare(R). In North America, Jarden is the market leader in several consumer categories, including home canning, home vacuum packaging, kitchen matches, branded retail plastic cutlery, toothpicks and rope, cord and twine. Jarden also manufactures zinc strip and a wide array of plastic products for third party consumer product and medical companies, as well as its own businesses.

Note: This news release contains "forward-looking statements" within the meaning of the federal securities laws and is intended to qualify for the Safe Harbor from liability established by the Private Securities Litigation Reform Act of 1995, including statements regarding the outlook for Jarden's markets and the demand for its products. These projections and statements are based on management's estimates and assumptions with respect to future events and financial performance and are believed to be reasonable, though are inherently uncertain and difficult to predict. Actual results could differ materially from those projected as a result of certain factors. A discussion of factors that could cause results to vary is included in the Company's periodic and other reports filed with the Securities and Exchange Commission.

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JARDEN CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share data)

<TABLE>
<CAPTION>

	Three Months Ended		Year Ended	
	December 31, 2003	December 31, 2002	December 31, 2003	December 31, 2002
<S>	<C>	<C>	<C>	<C>
Net sales	\$191,393	\$104,912	\$587,381	\$367,104
Costs and expenses:				
Cost of sales	120,125	57,395	362,379	216,629
Selling, general and administrative expenses	39,606	27,882	131,719	85,366
Non-cash restricted stock charge	21,833	-	21,833	-
Operating earnings	9,829	19,635	71,450	65,109
Interest expense, net	5,883	3,808	19,184	12,611
Income before taxes	3,946	15,827	52,266	52,498
Income tax provision	1,597	6,529	20,488	16,189
Net income	\$ 2,349	\$ 9,298	\$ 31,778	\$ 36,309
Basic earnings per share	\$ 0.09	\$ 0.44	\$ 1.40	\$ 1.74
Diluted earnings per share	\$ 0.09	\$ 0.42	\$ 1.35	\$ 1.68
Weighted average shares outstanding:				
Basic	26,505	21,283	22,663	20,910
Diluted	27,514	22,123	23,531	21,588
Reconciliations of Non-GAAP Measurements:				
Net income	\$ 2,349	\$ 9,298	\$ 31,778	\$ 36,309
Income tax provision	1,597	6,529	20,488	16,189
Interest expense	5,883	3,808	19,184	12,611
Depreciation and amortization	3,554	2,751	15,045	10,001
Earnings before interest, taxes, depreciation and amortization (EBITDA)	13,383	22,386	86,495	75,110
Add back: non-cash restricted stock charge	21,833	-	21,833	-
Adjusted EBITDA (EBITDA, excluding non-cash restricted stock charge)	\$ 35,216	\$ 22,386	\$108,328	\$ 75,110
Operating earnings	\$ 9,829	\$ 19,635	\$ 71,450	\$ 65,109
Add back: non-cash restricted stock charge	21,833	-	21,833	-
Operating earnings, excluding non-cash restricted stock charge	31,662	19,635	93,283	65,109
Interest expense, net	5,883	3,808	19,184	12,611
Income before taxes, excluding non-cash restricted stock charge	25,779	15,827	74,099	52,498
Income tax provision, excluding tax benefit of non-cash restricted stock charge and net release of tax valuation allowance	10,154	6,029	29,047	20,584
Net income, excluding non-cash restricted stock charge and related tax benefit and net release of tax valuation allowance	\$ 15,625	\$ 9,798	\$ 45,052	\$ 31,914
Diluted earnings per share, excluding non-cash restricted stock charge and related tax benefit and net release of tax valuation allowance	\$ 0.57	\$ 0.44	\$ 1.91	\$ 1.48

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JARDEN CORPORATION
CONSOLIDATED STATEMENTS OF INCOME (CONTINUED)

Notes:

Note 1: Certain prior year amounts in the financial statements have been reclassified to conform to the 2003 presentation. These reclassifications have no impact on previously reported net income.

Note 2: All earnings per share and share amounts have been adjusted to give effect to a 3-for-2 split of the Company's outstanding shares of common stock that was effected during the fourth quarter of 2003.

Note 3: This earnings release contains non-GAAP financial measures. For purposes of Regulation G, a non-GAAP financial measure is a numerical measure of a Company's historical or future financial performance, financial position or cash flows that excludes amounts, or is subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measure calculated and presented in accordance with GAAP in the statements of income, balance sheets, or statement of cash flows of the Company; or includes amounts, or is subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measure so calculated and presented. In this regard, GAAP refers to generally accepted accounting principles in the United States. Pursuant to the requirements of Regulation G, the Company has provided a reconciliation of the non-GAAP financial measures to the most directly comparable GAAP financial measures.

EBITDA, a non-GAAP financial measure, is presented in this press release because the Company's credit facility and senior subordinated notes contain financial and other covenants which are based on or refer to the Company's EBITDA. Additionally, EBITDA is a basis upon which our management assesses financial performance and we believe it is frequently used by securities analysts, investors and other interested parties in measuring the operating performance and creditworthiness of companies with comparable market capitalization to the Company, many of which present EBITDA when reporting their results. Furthermore, EBITDA is one of the factors used to determine the total amount of bonuses available to be awarded to executive officers and other employees. EBITDA is widely used by the Company to evaluate potential acquisition candidates. While EBITDA is frequently used as a measure of operations and the ability to meet debt service requirements, it is not necessarily comparable to other similarly titled captions of other companies due to potential inconsistencies in the method of calculation. Because of these limitations, EBITDA should not be considered a primary measure of the Company's performance and should be reviewed in conjunction with, and not as a substitute for, financial measurements prepared in accordance with GAAP that are presented in this earnings release.

Note 4: Adjusted EBITDA and diluted earnings per share, excluding non-cash restricted stock charge and net release of tax valuation allowance, are both non-GAAP financial measures and they are presented in this press release because they are a basis upon which our management has assessed its financial performance in the years presented. Additionally, the Company's credit agreement has provided for the non-cash restricted stock charge to be excluded in calculations used for determining whether the Company is in compliance with certain credit agreement covenants. These calculations are measures of the Company's performance that are not required by, or presented in accordance with, GAAP. As such they should not be considered as an alternative to net income or diluted earnings per share in accordance with GAAP.

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JARDEN CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)

<TABLE>
<CAPTION>

December 31, December 31,

	2003	2002
	-----	-----
<S>	<C>	<C>
ASSETS		
Current assets		
Cash and cash equivalents	\$125,400	\$ 56,779
Accounts receivable, net	92,777	40,470
Inventories, net	105,573	59,463
Other current assets	23,369	16,018
	-----	-----
Total current assets	347,119	172,730
	-----	-----
Non-current assets		
Property, plant and equipment, net	79,119	45,237
Intangibles, net	315,826	134,060
Other assets	17,610	14,738
	-----	-----
Total assets	\$759,674	\$366,765
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Short-term debt and current portion of long-term debt	\$ 17,512	\$ 16,117
Accounts payable	34,211	18,466
Other current liabilities	53,357	36,590
	-----	-----
Total current liabilities	105,080	71,173
	-----	-----
Non-current liabilities		
Long-term debt	369,870	200,838
Other non-current liabilities	34,819	17,990
	-----	-----
Total non-current liabilities	404,689	218,828
	-----	-----
Stockholders' equity	249,905	76,764
	-----	-----
Total liabilities and stockholders' equity	\$759,674	\$366,765
	=====	=====

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JARDEN CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

<TABLE>
<CAPTION>

	Twelve Months Ended	
	December 31, 2003	December 31, 2002
	-----	-----
<S>	<C>	<C>
Cash flows from operating activities		
Net income	\$ 31,778	\$ 36,309
Reconciliation of net income to net cash provided by operating activities:		
Depreciation and amortization	15,045	10,001
Other non-cash items	31,134	13,539
Changes in working capital components (including tax refunds of \$444 and \$38,578 in 2003 and 2002, respectively)	(4,159)	9,702
	-----	-----
Net cash provided by operating activities	73,798	69,551
	-----	-----
Cash flows from financing activities		
Proceeds from revolving credit borrowings	78,000	25,200
Payments on revolving credit borrowings	(78,000)	(34,600)
Proceeds from bond issuance	31,950	147,654

Proceeds from issuance of senior long-term debt	160,000	50,000
Payments on long-term debt	(7,941)	(77,975)
Payments on seller note	(10,000)	-
Proceeds from issuance of common stock, net of underwriting fees and related expenses	112,258	-
Debt issue costs	(5,913)	(7,467)
Other	4,442	8,734
	-----	-----
Net cash provided by financing activities	284,796	111,546
	-----	-----
Cash flows from investing activities		
Additions to property, plant and equipment	(12,822)	(9,277)
Acquisition of businesses, net of cash acquired	(277,259)	(121,065)
Other	108	(352)
	-----	-----
Net cash used in investing activities	(289,973)	(130,694)
	-----	-----
Net increase in cash	68,621	50,403
Cash and cash equivalents, beginning of period	56,779	6,376
	-----	-----
Cash and cash equivalents, end of period	\$ 125,400	\$ 56,779
	=====	=====

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JARDEN CORPORATION
NET SALES AND OPERATING PROFIT BY SEGMENT
(in thousands)

<TABLE>
<CAPTION>

	Three Months Ended		Year Ended	
	December 31, 2003	December 31, 2002	December 31, 2003	December 31, 2002
	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>
Net sales:				
Branded consumables	\$ 75,895	\$ 12,542	\$ 257,869	\$ 111,240
Consumer solutions	85,124	67,872	215,847	145,316
Plastic consumables	28,688	16,460	109,056	70,578
Other	13,089	8,316	42,802	41,034
Intercompany	(11,403)	(278)	(38,193)	(1,064)
	-----	-----	-----	-----
Total net sales	\$ 191,393	\$ 104,912	\$ 587,381	\$ 367,104
	=====	=====	=====	=====
Operating profit (loss):				
Branded consumables	\$ 7,131	\$ (915)	\$ 36,521	\$ 17,984
Consumer solutions	19,867	17,711	42,550	31,672
Plastic consumables	2,877	2,444	9,551	9,088
Other	1,416	401	5,531	6,366
Intercompany	371	(6)	(870)	(1)
Unallocated corporate expense (1)	(21,833)	--	(21,833)	--
	-----	-----	-----	-----
Total operating earnings	\$ 9,829	\$ 19,635	\$ 71,450	\$ 65,109
	=====	=====	=====	=====

</TABLE>

(1) Unallocated corporate expense is comprised of the non-cash restricted stock charge.

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