

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

Filing Date: **2013-01-28** | Period of Report: **2013-01-28**
SEC Accession No. [0001193125-13-026316](#)

([HTML Version](#) on [secdatabase.com](#))

FILER

NEWMARKET CORP

CIK: **1282637** | IRS No.: **000000000** | State of Incorpor.: **VA** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **001-32190** | Film No.: **13552521**
SIC: **2860** Industrial organic chemicals

Mailing Address

*330 S FOURTH ST
PO BOX 2189*

RICHMOND VA 23218-2189

Business Address

*330 S FOURTH ST
PO BOX 2189*

*RICHMOND VA 23218-2189
804-788-5570*

**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) January 28, 2013

NEWMARKET CORPORATION

(Exact name of Registrant as specified in charter)

Virginia
(State or other jurisdiction
of incorporation)

1-32190
(Commission
file number)

20-0812170
(IRS employer
identification no.)

330 South Fourth Street, Richmond, Virginia
(Address of principal executive offices)

23219
(Zip code)

Registrant's telephone number, including area code (804) 788-5000

Not applicable

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-
-

Item 2.02. Results of Operations and Financial Condition

On January 28, 2013, NewMarket Corporation (the “Company”) issued a press release regarding its earnings for the year ended December 31, 2012. A copy of this press release is furnished as Exhibit 99.1 hereto and incorporated herein by reference.

In accordance with General Instruction B.2 of Form 8-K, the information in Item 2.02 of this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statement and Exhibits

(d) *Exhibits.*

99.1 Press release regarding earnings issued by the Company on January 28, 2013.

SIGNATURE

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.

Date: January 28, 2013

NEWMARKET CORPORATION

By: /s/ David A. Fiorenza

David A. Fiorenza

Vice President and Chief Financial Officer

Exhibit Index

| Exhibit No. | Description |
|------------------------|---|
| 99.1 | Press release regarding earnings issued by the Company on January 28, 2013. |

NEWMARKET CORPORATION REPORTS RECORD RESULTS FOR THE YEAR 2012

Record Net Income and Earnings Per Share for the Year 2012

Record Petroleum Additives Operating Profit for the Year

Special Dividend of \$25 Per Share Paid in the Fourth Quarter

Richmond, VA, January 28, 2013 - NewMarket Corporation (NYSE:NEU) President and Chief Executive Officer, Thomas E. Gottwald, released the following earnings report of the Company's operations for the year and fourth quarter 2012.

NewMarket's net income for the year 2012 increased to a record \$239.6 million, or \$17.85 per share, compared to net income of \$206.9 million, or \$15.09 per share for the year 2011. For the fourth quarter of this year, net income was \$53.1 million, or \$3.94 per share, compared to net income of \$33.7 million, or \$2.51 per share for the same period last year.

The earnings for 2012 and prior year periods include certain special items which are presented in the following Summary of Earnings and discussed more fully on the financial statements and footnotes that are a part of this earnings release.

| | Summary of Earnings | | | |
|---|---|----------------|----------------|----------------|
| | (In millions, except per-share amounts) | | | |
| | Fourth Quarter Ended | | Year Ended | |
| | December 31 | | December 31 | |
| | 2012 | 2011 | 2012 | 2011 |
| Net Income: | | | | |
| Net income | \$ 53.1 | \$ 33.7 | \$239.6 | \$206.9 |
| Tax (benefit) of special dividend | (6.2) | - | (6.2) | - |
| (Gain) Loss on interest rate swap agreement | (0.2) | 0.8 | 3.3 | 10.7 |
| Loss on early extinguishment of debt | - | - | 6.1 | - |
| (Gain) on legal settlement, net | - | - | - | (23.9) |
| Income excluding the above special items | <u>\$ 46.7</u> | <u>\$ 34.5</u> | <u>\$242.8</u> | <u>\$193.7</u> |
| Diluted Earnings Per Share: | | | | |
| Net income | \$ 3.94 | \$ 2.51 | \$17.85 | \$15.09 |
| Tax (benefit) of special dividend | (0.46) | - | (0.46) | - |
| (Gain) Loss on interest rate swap agreement | (0.01) | 0.06 | 0.24 | 0.78 |
| Loss on early extinguishment of debt | - | - | 0.45 | - |
| (Gain) on legal settlement, net | - | - | - | (1.74) |
| Income excluding the above special items | <u>\$ 3.47</u> | <u>\$ 2.57</u> | <u>\$18.08</u> | <u>\$14.13</u> |

Excluding these special items from all periods, earnings for the year 2012 were a record \$242.8 million, or \$18.08 per share, an increase of 25 percent compared to last year's results of \$193.7 million, or \$14.13 per share. On this

same basis, earnings for this year' s fourth quarter were \$46.7 million, or \$3.47 per share, an improvement of 35 percent over fourth quarter last year results of \$34.5 million, or \$2.57 per share. Earnings per share for the year and fourth quarter of this year increased 28 percent and 35 percent, respectively, on this same basis.

Petroleum additives operations had a record performance for the year 2012 with operating profit of \$372.0 million, an improvement of 20 percent over last year' s operating profit of \$309.6 million excluding the 2011 gain on the legal settlement. Sales of petroleum additives for the year increased to \$2.2 billion, an increase of 3 percent over sales last year of \$2.1 billion while shipments were down almost 2 percent. Petroleum additives operating profit for the fourth quarter of 2012 was \$71.6 million, an improvement of 21 percent over fourth quarter operating profit last year of \$59.3 million. Sales for the fourth quarter of 2012 increased 2 percent to \$511.2 million, compared to sales for the same period last year of \$499.0 million and included the benefit of 4 percent higher shipments. Our petroleum additives business continues to deliver excellent results. We believe the fundamentals of how we run the business - a safety-first culture, customer-focused solutions, technology driven product offerings, world-class supply chain and regional organizational structure to better serve our customers' needs - are the core to this success. We continue to increase our investment in research and development and regional presence as evidence of our commitment to our customers.

These operational results continue to generate strong cash flows. During the year 2012, we paid dividends of \$375.7 million (including special dividend of \$335.4 million), funded capital expenditures of \$38.8 million and increased cash \$38.8 million while only increasing debt by \$185.2 million.

This special year in which we celebrated the 125th anniversary of our Company was another year of growth and success. The excellent results reflect the outstanding performance and dedication of NewMarket employees around the world and the confidence our customers have entrusted in us. Our strong financial position enhances our capability for future growth and improving shareholder value.

Sincerely,

Thomas E. Gottwald

The results for both the fourth quarter and year for both this year and last year include the impact from valuing an interest rate swap agreement at fair value at the end of each reporting period. This year' s fourth quarter and year also include a tax benefit from the special \$25 per share dividend paid in the fourth quarter. The current year results also include a loss on the early extinguishment of debt while the results for the year 2011 include a gain on a legal settlement. The Company is reporting net income including these items, as well as income excluding them,

and related per share amounts in the Summary of Earnings included in the earnings release. The Company has also included the non-GAAP financial measure EBITDA in this earnings release. A schedule following the financial statements included in this earnings release is provided reflecting the calculation of EBITDA, defined as net income, before the deduction of interest and financing expenses, income taxes, depreciation and amortization. EBITDA is shown on the schedule both including and excluding the items noted above. The Company believes that even though these items are not required by or presented in accordance with United States generally accepted accounting principles (GAAP), these additional measures enhance understanding of the Company's performance and period to period comparability. The Company believes that these items should not be considered an alternative to net income determined under GAAP.

As a reminder, a conference call and Internet webcast is scheduled for 11:00 a.m. EST on Tuesday, January 29, 2013, to review fourth quarter and year 2012 financial results. You can access the conference call live by dialing 1-877-407-8031 (domestic) or 1-201-689-8031 (international) and requesting the NewMarket conference call. To avoid delays, callers should dial in five minutes early. The call will also be broadcast via the Internet and can be accessed through the Company's website at www.NewMarket.com or www.investorcalendar.com. A teleconference replay of the call will be available until February 5, 2013 at 11:59 p.m. EST by dialing 1-877-660-6853 (domestic) and 1-201-612-7415 (international). The conference ID number is 407213. A webcast replay will be available for 30 days.

NewMarket Corporation through its subsidiaries, Afton Chemical Corporation and Ethyl Corporation, develops, manufactures, blends, and delivers chemical additives that enhance the performance of petroleum products. From custom-formulated chemical blends to market-general additive components, the NewMarket family of companies provides the world with the technology to make fuels burn cleaner, engines run smoother and machines last longer.

Some of the information contained in this press release constitutes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Although NewMarket's management believes its expectations are based on reasonable assumptions within the bounds of its knowledge of its business and operations, there can be no assurance that actual results will not differ materially from expectations.

Factors that could cause actual results to differ materially from expectations include, but are not limited to: availability of raw materials and transportation systems; supply disruptions at single sourced facilities; ability to respond effectively to technological changes in our industry; failure to protect our intellectual property rights; hazards common to chemical businesses; occurrence or threat of extraordinary events, including natural disasters and terrorist attacks; competition from other manufacturers; sudden or sharp raw materials price increases; gain or loss of significant customers; risks related to operating outside of the United States; the impact of fluctuations in foreign exchange rates; political, economic, and regulatory factors concerning our products; future governmental regulation; resolution of environmental liabilities or legal proceedings; inability to complete future acquisitions or successfully integrate future acquisitions into our business and other factors detailed from time to time in the reports that NewMarket files with the Securities and Exchange Commission, including the risk factors in Item 1A, "Risk Factors" of our 2011 Annual Report on Form 10-K, which is available to shareholders upon request.

You should keep in mind that any forward-looking statement made by NewMarket in the foregoing discussion speaks only as of the date on which such forward-looking statement is made. New risks and uncertainties come up from time to time, and it is impossible for us to predict these events or how they may affect the company. We have no duty to, and do not intend to, update or revise the forward-looking statements in this discussion after the date hereof, except as may be required by law. In light of these risks and uncertainties, you should keep in mind that the events described in any forward-looking statement made in this discussion, or elsewhere, might not occur.

FOR INVESTOR INFORMATION CONTACT:

David A. Fiorenza

Investor Relations

Phone: 804.788.5555

Fax: 804.788.5688

Email: investorrelations@newmarket.com

NEWMARKET CORPORATION AND SUBSIDIARIES
SEGMENT RESULTS AND OTHER FINANCIAL INFORMATION

(In millions, except per-share amounts, unaudited)

| | Fourth Quarter Ended | | Twelve Months Ended | |
|--|------------------------|------------------------|-------------------------|-------------------------|
| | December 31, | | December 31, | |
| | 2012 | 2011 | 2012 | 2011 |
| Revenue: | | | | |
| Petroleum additives | \$ 511.2 | \$ 499.0 | \$2,200.8 | \$2,126.5 |
| Real estate development | 2.8 | 2.9 | 11.4 | 11.4 |
| All other (a) | 2.2 | 3.7 | 11.1 | 11.7 |
| Total | <u>\$ 516.2</u> | <u>\$ 505.6</u> | <u>\$2,223.3</u> | <u>\$2,149.6</u> |
| Segment operating profit: | | | | |
| Petroleum additives | | | | |
| Petroleum additives before gain on legal settlement, net | \$ 71.6 | \$ 59.3 | \$372.0 | \$309.6 |
| Gain on legal settlement, net (b) | 0.0 | 0.0 | 0.0 | 38.7 |
| Total petroleum additives | 71.6 | 59.3 | 372.0 | 348.3 |
| Real estate development | 1.6 | 1.7 | 7.0 | 7.0 |
| All other (a) | 1.2 | 1.4 | 6.3 | 2.9 |
| Segment operating profit | 74.4 | 62.4 | 385.3 | 358.2 |
| Corporate unallocated expense | (4.2) | (5.2) | (20.2) | (16.7) |
| Interest and financing expenses | (2.3) | (4.7) | (10.8) | (18.8) |
| Gain (loss) on an interest rate swap agreement (c) | 0.3 | (1.4) | (5.3) | (17.5) |
| Loss on early extinguishment of debt (d) | 0.0 | 0.0 | (9.9) | 0.0 |
| Other (expense) income, net | (0.4) | (0.4) | 2.3 | (1.5) |
| Income before income tax expense | <u>\$ 67.8</u> | <u>\$ 50.7</u> | <u>\$341.4</u> | <u>\$303.7</u> |
| Net income | <u>\$ 53.1</u> | <u>\$ 33.7</u> | <u>\$239.6</u> | <u>\$206.9</u> |
| Basic earnings per share | <u>\$ 3.94</u> | <u>\$ 2.51</u> | <u>\$17.85</u> | <u>\$15.10</u> |
| Diluted earnings per share | <u>\$ 3.94</u> | <u>\$ 2.51</u> | <u>\$17.85</u> | <u>\$15.09</u> |

Notes to Segment Results and Other Financial Information

- (a) "All other" includes the results of our tetraethyl lead (TEL) business, as well as certain contract manufacturing performed by Ethyl Corporation.
- (b) On September 13, 2011, we signed a settlement agreement with Innospec Inc. and its subsidiaries Alcor Chemie Vertriebs GmbH and Innospec Ltd. (collectively, Innospec) which provided for mutual releases of the parties and dismissal of the actions with prejudice. Under the settlement agreement, Innospec will pay NewMarket an aggregate amount of approximately \$45 million in a combination of cash, a promissory note, and stock, of which \$25 million was paid in cash on September 20, 2011 and \$5 million was paid in the form of 195,313 shares of unregistered Innospec Inc. common stock. Fifteen million dollars is payable in three equal annual installments of \$5 million under the promissory note, which bears simple interest at 1% per year. The first installment was paid in September 2012. The gain is net of expenses related to the settlement of the lawsuit.
- (c) The gain (loss) on an interest rate swap agreement represents the change, since the beginning of the reporting period, in the fair value of an interest rate swap which we entered into on June 25, 2009. We are not using hedge accounting to record the interest rate swap, and accordingly, any change in the fair value is immediately recognized in earnings.

- (d) In March 2012, we entered into a \$650 million five-year unsecured revolving credit facility which replaced our previous \$300 million unsecured revolving credit facility. In April 2012, we used a portion of this new credit facility to fund the early redemption of all of our outstanding 7.125% senior notes due 2016 (senior notes), representing an aggregate principal amount of \$150 million. In May 2012, we used a portion of the new credit facility to repay the outstanding principal amount on the Foundry Park I, LLC mortgage loan agreement (mortgage loan). As a result, we recognized a loss on early extinguishment of debt of \$9.9 million during the twelve months ended December 31, 2012 from accelerated amortization of financing fees associated with the prior revolving credit facility, the senior notes, and the mortgage loan, as well as from costs associated with redeeming the senior notes prior to maturity.

NEWMARKET CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(In thousands, except per-share amounts, unaudited)

| | Fourth Quarter Ended | | Twelve Months Ended | |
|---|----------------------|-----------------|---------------------|------------------|
| | December 31, | | December 31, | |
| | 2012 | 2011 | 2012 | 2011 |
| Revenue: | | | | |
| Net sales - product | \$513,322 | \$502,698 | \$2,211,878 | \$2,138,127 |
| Rental revenue | 2,858 | 2,858 | 11,431 | 11,431 |
| | <u>516,180</u> | <u>505,556</u> | <u>2,223,309</u> | <u>2,149,558</u> |
| Costs: | | | | |
| Cost of goods sold - product | 374,461 | 379,302 | 1,581,393 | 1,586,145 |
| Cost of rental | 1,183 | 1,183 | 4,386 | 4,386 |
| | <u>375,644</u> | <u>380,485</u> | <u>1,585,779</u> | <u>1,590,531</u> |
| Gross profit | 140,536 | 125,071 | 637,530 | 559,027 |
| Selling, general, and administrative expenses | 39,506 | 39,784 | 154,209 | 151,602 |
| Research, development, and testing expenses | 31,276 | 28,768 | 117,845 | 105,496 |
| Gain on legal settlement, net (a) | 0 | 0 | 0 | 38,656 |
| Operating profit | 69,754 | 56,519 | 365,476 | 340,585 |
| Interest and financing expenses | 2,317 | 4,685 | 10,815 | 18,820 |
| Loss on early extinguishment of debt (b) | 0 | 0 | 9,932 | 0 |
| Other income (expense), net (c) | 402 | (1,169) | (3,338) | (18,048) |
| Income before income tax expense | 67,839 | 50,665 | 341,391 | 303,717 |
| Income tax expense | 14,776 | 16,967 | 101,798 | 96,810 |
| Net income | \$53,063 | \$33,698 | \$239,593 | \$206,907 |
| Basic earnings per share | \$3.94 | \$2.51 | \$17.85 | \$15.10 |
| Diluted earnings per share | \$3.94 | \$2.51 | \$17.85 | \$15.09 |
| Cash dividends declared per share | \$25.75 | \$0.75 | \$28.00 | \$2.39 |

Notes to Consolidated Statements of Income

- (a) On September 13, 2011, we signed a settlement agreement with Innospec Inc. and its subsidiaries Alcor Chemie Vertriebs GmbH and Innospec Ltd. (collectively, Innospec) which provided for mutual releases of the parties and dismissal of the actions with prejudice. Under the settlement agreement, Innospec will pay NewMarket an aggregate amount of approximately \$45 million in a combination of cash, a promissory note, and stock, of which \$25 million was paid in cash on September 20, 2011 and \$5 million was paid in the form of 195,313 shares of unregistered Innospec Inc. common stock. Fifteen million dollars is payable in three equal annual installments of \$5 million under the promissory note, which bears simple interest at 1% per year. The first installment was paid in September 2012. The gain is net of expenses related to the settlement of the lawsuit.
- (b) In March 2012, we entered into a \$650 million five-year unsecured revolving credit facility which replaced our previous \$300 million unsecured revolving credit facility. In April 2012, we used a portion of this new credit facility to fund the early redemption of all of our outstanding 7.125% senior notes due 2016 (senior notes), representing an aggregate principal amount of \$150 million. In May 2012, we used a portion of the new credit facility to repay the outstanding principal amount on the Foundry Park I, LLC

mortgage loan agreement (mortgage loan). As a result, we recognized a loss on early extinguishment of debt of \$9.9 million during the twelve months ended December 31, 2012 from accelerated amortization of financing fees associated with the prior revolving credit facility, the senior notes, and the mortgage loan, as well as from costs associated with redeeming the senior notes prior to maturity.

- (c) On June 25, 2009 we entered into an interest rate swap. The gain on the interest rate swap was \$0.3 million for the fourth quarter ended December 31, 2012 and the loss on the interest rate swap was \$5.3 million for the twelve months ended December 31, 2012. The loss on the interest rate swap was \$1.4 million for the fourth quarter ended December 31, 2011 and \$17.5 million for the twelve months ended December 31, 2011. We are not using hedge accounting to record the interest rate swap, and accordingly, any change in the fair value is immediately recognized in earnings.

NEWMARKET CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(In thousands, unaudited)

| | <u>December 31,</u> <u>2012</u> | <u>December 31,</u> <u>2011</u> |
|---|------------------------------------|------------------------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$89,129 | \$50,370 |
| Trade and other accounts receivable, less allowance for doubtful accounts (\$319 - 2012; \$516 - 2011) | 297,055 | 278,332 |
| Inventories | 322,674 | 306,785 |
| Deferred income taxes | 8,452 | 7,261 |
| Prepaid expenses and other current assets | 18,185 | 36,983 |
| Total current assets | <u>735,495</u> | <u>679,731</u> |
| Property, plant, and equipment, at cost | 1,070,967 | 1,034,472 |
| Less accumulated depreciation and amortization | 712,596 | 681,506 |
| Net property, plant, and equipment | <u>358,371</u> | <u>352,966</u> |
| Prepaid pension cost | 12,710 | 11,494 |
| Deferred income taxes | 48,385 | 35,805 |
| Other assets and deferred charges | 72,007 | 73,619 |
| Intangibles (net of amortization) and goodwill | 30,542 | 38,047 |
| Total assets | <u>\$1,257,510</u> | <u>\$1,191,662</u> |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$119,298 | \$103,217 |
| Accrued expenses | 79,061 | 78,546 |
| Dividends payable | - | 8,529 |
| Book overdraft | 3,906 | 1,680 |
| Long-term debt, current portion | 4,382 | 10,966 |
| Income taxes payable | 10,024 | 13,086 |
| Total current liabilities | <u>216,671</u> | <u>216,024</u> |
| Long-term debt | 424,407 | 232,601 |
| Other noncurrent liabilities | 214,227 | 193,444 |
| Shareholders' equity | | |
| Common stock and paid-in capital (without par value); issued and outstanding shares - 13,417,877 in 2012 and 13,404,831 in 2011 | 721 | 64 |
| Accumulated other comprehensive loss | (110,689) | (98,732) |
| Retained earnings | 512,173 | 648,261 |
| | <u>402,205</u> | <u>549,593</u> |
| Total liabilities and shareholders' equity | <u>\$1,257,510</u> | <u>\$1,191,662</u> |

NEWMARKET CORPORATION AND SUBSIDIARIES**SELECTED CONSOLIDATED CASH FLOW DATA**

(In thousands, unaudited)

| | Twelve Months Ended | |
|--|------------------------|-----------------------|
| | December 31, | |
| | 2012 | 2011 |
| Net income | \$239,593 | \$206,907 |
| Depreciation and amortization | 43,389 | 43,352 |
| Loss on early extinguishment of debt | 9,932 | 0 |
| Cash payment for 7.125% senior notes redemption | (5,345) | 0 |
| Cash pension and postretirement contributions | (32,431) | (31,376) |
| Noncash pension and postretirement expense | 18,855 | 16,499 |
| Gain on legal settlement, net | 0 | (38,656) |
| Proceeds from legal settlements | 5,050 | 25,000 |
| Proceeds from sale of equity securities | 6,303 | 0 |
| Working capital changes | (14,243) | (62,011) |
| Capital expenditures | (38,753) | (53,515) |
| Issuance of 4.10% senior notes | 349,405 | 0 |
| Repayment of 7.125% senior notes and mortgage loan | (213,544) | (2,731) |
| Net borrowings under revolving credit facility | 53,000 | 18,000 |
| Repurchases of common stock | 0 | (98,093) |
| Dividends paid | (375,681) | (32,588) |
| All other | (6,771) | 10,390 |
| Increase in cash and cash equivalents | <u>\$38,759</u> | <u>\$1,178</u> |

NEWMARKET CORPORATION AND SUBSIDIARIES**NON-GAAP FINANCIAL INFORMATION**

(In thousands, unaudited)

| | Fourth Quarter Ended | | Twelve Months Ended | |
|---|----------------------|-----------------|---------------------|------------------|
| | December 31, | | December 31, | |
| | 2012 | 2011 | 2012 | 2011 |
| Net Income | \$53,063 | \$33,698 | \$239,593 | \$206,907 |
| Add: | | | | |
| Interest and financing expenses | 2,317 | 4,685 | 10,815 | 18,820 |
| Income tax expense | 14,776 | 16,967 | 101,798 | 96,810 |
| Depreciation and amortization | 10,364 | 10,600 | 41,314 | 41,749 |
| EBITDA | 80,520 | 65,950 | 393,520 | 364,286 |
| Less: gain on legal settlement | 0 | 0 | 0 | (38,656) |
| Less gain / plus loss: interest rate swap agreement | (304) | 1,363 | 5,346 | 17,516 |
| Plus: loss on early extinguishment of debt | 0 | 0 | 9,932 | 0 |
| EBITDA, as adjusted | <u>\$80,216</u> | <u>\$67,313</u> | <u>\$408,798</u> | <u>\$343,146</u> |