

AMPAL-AMERICAN ISRAEL CORP
Form 10-Q
May 05, 2010

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 March 31, 2010

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 0-538

AMPAL-AMERICAN ISRAEL CORPORATION
(Exact Name of Registrant as Specified in Its Charter)

New York
(State or Other Jurisdiction of
Incorporation of Organization)

13-0435685
(I.R.S. Employer)
Identification Number

555 Madison Avenue
New York, NY, USA
(Address of Principal Executive Offices)

10022
(Zip code)

Registrant's Telephone Number, Including Area Code (866) 447-8636

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

Edgar Filing: AMPAL-AMERICAN ISRAEL CORP - Form 10-Q

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 (§232.405 of this chapter) 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, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer

Accelerated filer

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

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

The number of shares outstanding of the issuer's Class A Stock, par value \$1.00 per share, its only authorized common stock, is 56,133,764 (as of April 26, 2009).

AMPAL-AMERICAN ISRAEL CORPORATION AND SUBSIDIARIES

Index to Form 10-Q

	Page
Part I	
Financial Information	
<u>Item 1. Financial Statements (unaudited)</u>	
<u>1. Consolidated Balance Sheet</u>	1-2
<u>Consolidated Statement of Operations</u>	3
<u>Consolidated Statement of Cash Flows</u>	4-5
<u>Consolidated Statements of Changes in Shareholders' Equity</u>	6-7
<u>Notes to the Consolidated Financial Statements</u>	8-17
<u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	17-25
<u>Item 3. Quantitative and Qualitative Disclosures About Market Risk</u>	25-26
<u>Item 4. Controls and Procedures</u>	26
Part II. <u>Other Information</u>	
<u>Item 1. Legal Proceedings</u>	27
<u>Item 1A. Risk Factors</u>	27
<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</u>	27
<u>Item 3. Defaults upon Senior Securities</u>	27
<u>Item 4. [Removed and Reserved]</u>	27
<u>Item 5. Other Information</u>	27
<u>Item 6. Exhibits</u>	27

ITEM 1. FINANCIAL STATEMENTS

AMPAL-AMERICAN ISRAEL CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS AS OF (U.S. Dollars in thousands)	March 31, 2010 (Unaudited)	December 31, 2009 (Audited)
Current assets:		
Cash and cash equivalents	\$28,016	\$71,377
Marketable securities	17,898	29,345
Accounts receivable (Net of allowance for doubtful amounts of \$2.6 and \$1.4)	184,405	99,655
Deposits, notes and loans receivable	10,271	10,102
Inventories	25,506	28,556
Other assets	19,512	20,135
Total current assets	285,608	259,170
Non-current assets:		
Investments	372,205	371,305
Fixed assets, less accumulated depreciation of \$30,304 and \$21,038	197,162	148,738
Deposits, notes and loans receivable	37,931	35,154
Deferred income taxes	33,619	30,907
Other assets	12,623	13,071
Goodwill	116,702	51,878
Intangible assets	205,710	10,377
Total Non-current assets	975,952	661,430
TOTAL ASSETS	\$1,261,560	\$920,600

The accompanying notes are an integral part of these condensed consolidated financial statements.

AMPAL-AMERICAN ISRAEL CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

LIABILITIES AND EQUITY AS OF (U.S. Dollars in thousands, except share amounts)	March 31, 2010 (Unaudited)	December 31, 2009 (Audited)
LIABILITIES		
Current liabilities:		
Notes and loans payable and current maturities	\$ 207,597	\$ 170,922
Accounts payable, accrued expenses and others	154,762	76,292
Total current liabilities	362,359	247,214
Long term liabilities:		
Notes and loans payable	358,626	126,905
Notes to partners	98,713	97,091
Debentures	216,759	215,325
Deferred income taxes	3,095	2,933
Other long term liabilities	8,866	9,137
Total long term liabilities	686,059	451,391
Total liabilities	1,048,418	698,605
EQUITY		
Ampal's shareholders' equity:		
Class A Stock \$1 par value; authorized 100,000,000 and 100,000,000 shares; issued 63,277,321 and 63,277,321 shares; outstanding 56,133,764 and 56,133,764 shares	63,277	63,277
Additional paid-in capital	192,206	191,984
Retained earnings	1,455	10,260
Accumulated other comprehensive loss	(13,380)	(14,688)
Treasury stock, at cost	(28,763)	(28,763)