

OFFICEMAX INC
Form 10-Q/A
March 16, 2005

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-Q/A

AMENDMENT NO. 1

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

For the quarterly period ended March 31, 2004

o **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: 1-5057

OFFICEMAX INCORPORATED

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or
organization)

150 Pierce Road
Itasca, Illinois
(Address of principal executive offices)

82-0100960
(I.R.S. Employer Identification No.)

60143
(Zip Code)

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(630) 773-5000

(Registrant's telephone number, including area code)

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 is an accelerated filer (as defined in Rule 12b-2 of the Securities Exchange Act of 1934). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class
Common Stock, \$2.50 par value

Shares Outstanding as of April 30, 2004
87,660,674

OFFICEMAX INCORPORATED

FORM 10-Q/A

INTRODUCTORY NOTE

This Amendment No. 1 to quarterly report on Form 10-Q/A (Form 10-Q/A) is being filed to amend the company s quarterly report on Form 10-Q for the quarter ended March 31, 2004, which was originally filed on May 7, 2004 (Original Form 10-Q). Accordingly, pursuant to rule 12b-15 under the Securities Exchange Act of 1934, as amended, this Form 10-Q/A contains the complete text of Items 1, 2 and 4 of Part I and Item 6 of Part II, as amended, as well as certain currently dated certifications. Unaffected items have not been repeated in this Amendment No.1.

Based on the results of an investigation into the company s accounting for vendor income that began in the fourth quarter of 2004, the company concluded in February 2005 that it overstated operating income in the first quarter of 2004 by \$7.1 million and understated operating income by \$1.1 million and \$1.7 million in the second and third quarters of 2004, respectively. Net income was overstated by \$4.3 million in the first quarter of 2004 and understated by \$0.7 million and \$1.0 million in the second and third quarters of 2004, respectively. The company s financial statements as of and for the year ended December 31, 2003, were not materially impacted. See Note 22 to the accompanying consolidated financial statements for a discussion of the adjustment.

Other than the change in our company name, as mentioned below, this Amendment No. 1 does not reflect events occurring after the filing of the Original Form 10-Q, which was filed on May 7, 2004. Such events include, among others, the events described in the company s quarterly reports on Forms 10-Q for the quarters ended June 30, 2004, and September 30, 2004, and the events described in the company s current reports on Form 8-K filed after the filing of the Original Form 10-Q. This Amendment No. 1 is effective for all purposes as of May 7, 2004.

On October 29, 2004, we sold our paper, forest products and timberland assets to affiliates of Boise Cascade, L.L.C., a new company formed by Madison Dearborn Partners LLC. In connection with the sale, we changed our company s name from Boise Cascade Corporation to OfficeMax Incorporated, and the names of our office products segments were changed from Boise Office Solutions to OfficeMax, Contract and OfficeMax, Retail. The Boise Cascade Corporation and Boise Office Solutions names were used in documents furnished to or filed with the Securities and Exchange Commission prior to the sale. The new names of our company and of our office products segments have been used in this Form 10-Q/A, where applicable.

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

OfficeMax Incorporated and Subsidiaries
Consolidated Statements of Income (Loss)
(thousands, except per-share amounts)

	Three Months Ended March 31	
	2004 (Restated)	2003 (unaudited)
Sales	\$ 3,529,654	\$ 1,853,243
Costs and expenses		
Materials, labor, and other operating expenses	2,769,559	1,515,189
Depreciation, amortization, and cost of company timber harvested	98,349	75,582
Selling and distribution expenses	506,432	214,162
General and administrative expenses	72,889	35,373
Other (income) expense, net	(46,661)	11,152
	3,400,568	1,851,458
Equity in net income (loss) of affiliates	5,067	(59)
Income from operations	134,153	1,726
Interest expense	(40,652)	(32,191)
Interest income	484	114
Foreign exchange gain	180	956
	(39,988)	(31,121)
Income (loss) before income taxes, minority interest, and cumulative effect of accounting changes	94,165	(29,395)
Income tax (provision) benefit	(34,200)	10,652
Income (loss) before minority interest and cumulative effect of accounting changes	59,965	(18,743)
Minority interest, net of income tax	(842)	
Income (loss) before cumulative effect of accounting changes	59,123	(18,743)
Cumulative effect of accounting changes, net of income tax		(8,803)
Net income (loss)	59,123	(27,546)
Preferred dividends	(3,366)	(3,266)
Net income (loss) applicable to common shareholders	\$ 55,757	\$ (30,812)
Net income (loss) per common share		
Basic before cumulative effect of accounting changes	\$ 0.65	\$ (0.38)

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Cumulative effect of accounting changes, net of income tax				(0.15)
Basic	\$	0.65	\$	(0.53)
Diluted before cumulative effect of accounting changes	\$	0.61	\$	(0.38)
Cumulative effect of accounting changes, net of income tax				(0.15)
Diluted	\$	0.61	\$	(0.53)

See accompanying notes to consolidated financial statements.

OfficeMax Incorporated and Subsidiaries
Consolidated Balance Sheets
(thousands)

	2004 (Restated)	March 31 (unaudited)	2003	December 31 2003
ASSETS				
Current				
Cash and cash equivalents	\$ 249,679	\$ 85,256	\$ 124,879	\$ 124,879
Receivables, less allowances of \$10,921, \$12,206, and \$10,865	715,150	481,639	574,219	574,219
Inventories	1,589,969	676,707	1,609,811	1,609,811
Deferred income taxes	143,495	63,601	132,235	132,235
Other	88,913	36,145	60,148	60,148
	2,787,206	1,343,348	2,501,292	2,501,292
Property				
Property and equipment				
Land and land improvements	86,397	72,277	87,703	87,703
Buildings and improvements	893,992	739,997	890,871	890,871
Machinery and equipment	4,957,448	4,676,910	4,905,012	4,905,012
	5,937,837	5,489,184	5,883,586	5,883,586
Accumulated depreciation	(3,141,586)	(2,962,806)	(3,058,527)	(3,058,527)
	2,796,251	2,526,378	2,825,059	2,825,059
Timber, timberlands, and timber deposits	306,736	326,583	330,667	330,667
	3,102,987	2,852,961	3,155,726	3,155,726
Goodwill	1,139,822	409,500	1,107,292	1,107,292
Intangible assets, net	217,201	24,997	218,196	218,196
Investments in equity affiliates	49,362	35,553	44,335	44,335
Other assets	348,592	304,570	349,318	349,318
Total assets	\$ 7,645,170	\$ 4,970,929	\$ 7,376,159	\$ 7,376,159

See accompanying notes to consolidated financial statements.

OfficeMax Incorporated and Subsidiaries
Consolidated Balance Sheets (continued)
(thousands, except share amounts)

	2004 (Restated)	March 31 (unaudited)	2003	December 31 2003
LIABILITIES AND SHAREHOLDERS EQUITY				
Current				
Short-term borrowings	\$ 70,948	\$ 14,800		