

HORMEL FOODS CORP /DE/  
Form 10-Q  
March 09, 2007

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

## **Form 10-Q**

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

**For Quarter Ended January 28, 2007**

**Commission File  
Number 1-2402**

## **HORMEL FOODS CORPORATION**

**Incorporated Under the Laws  
of the State of Delaware**

**I.R.S. Employer Identification No.  
#41-0319970**

**1 Hormel Place  
Austin, Minnesota 55912-3680  
Telephone - (507) 437-5611**

**None**

(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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer

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

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

<b>Class</b>	<b>Outstanding at March 4, 2007</b>	
Common Stock	\$.0586 par value	137,914,625
Common Stock Non-Voting	\$.01 par value	-0-

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## PART I FINANCIAL INFORMATION

## Item 1. Financial Statements

**HORMEL FOODS CORPORATION**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
(In Thousands of Dollars)

	January 28, 2007 (Unaudited)	October 29, 2006
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 115,003	\$ 172,485
Short-term marketable securities	23,824	0
Accounts receivable	327,606	341,916
Inventories	584,113	570,932
Deferred income taxes	50,184	48,535
Prepaid expenses and other current assets	8,380	7,803
<b>TOTAL CURRENT ASSETS</b>	<b>1,109,110</b>	<b>1,141,671</b>
<b>DEFERRED INCOME TAXES</b>	<b>8,765</b>	<b>7,387</b>
<b>GOODWILL</b>	<b>550,637</b>	<b>550,706</b>
<b>OTHER INTANGIBLES</b>	<b>149,605</b>	<b>147,975</b>
<b>NET PENSION ASSETS</b>	<b>64,600</b>	<b>66,097</b>
<b>INVESTMENTS IN AND RECEIVABLES FROM AFFILIATES</b>	<b>103,619</b>	<b>76,684</b>
<b>OTHER ASSETS</b>	<b>159,835</b>	<b>158,976</b>
<b>PROPERTY, PLANT AND EQUIPMENT</b>		
Land	48,697	46,854
Buildings	569,930	562,949
Equipment	1,129,422	1,110,315
Construction in progress	145,974	123,608
	1,894,023	1,843,726
Less allowance for depreciation	(956,600)	(932,916)
	937,423	910,810
<b>TOTAL ASSETS</b>	<b>\$ 3,083,594</b>	<b>\$ 3,060,306</b>

See notes to consolidated financial statements

**HORMEL FOODS CORPORATION**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
(In Thousands of Dollars)

	January 28, 2007 (Unaudited)	October 29, 2006
<b>LIABILITIES AND SHAREHOLDERS INVESTMENT</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 237,272	\$ 271,358
Accrued expenses	24,491	27,103
Accrued workers compensation	28,051	27,895
Accrued marketing expenses	86,840	68,503
Employee compensation	71,046	107,332
Taxes, other than federal income taxes	9,038	7,784
Dividends payable	20,652	19,361
Federal income taxes	42,665	55,312
Current maturities of long-term debt	6,342	