

ADAMS RESOURCES & ENERGY INC

Form 8-K

November 10, 2004

**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**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): November 10, 2004

**ADAMS RESOURCES & ENERGY, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction  
of incorporation)

**1-7908**

(Commission file  
number)

**74-1753147**

(IRS employer  
identification no.)

**4400 Post Oak Pkwy, Suite 2700, Houston, Texas**

(Address of principal executive offices)

**77027**

(Zip code)

**(713) 881-3600**

(Registrant's telephone number, including area code)

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Item 2.02. Results of Operations and Financial Condition.

On November 10, 2004, Adams Resources & Energy, Inc., a Delaware corporation, issued a press release announcing its financial results for the third quarter ended September 30, 2004. The Company also announced its annual dividend for 2004. A copy of the earnings release and dividend announcement is furnished as Exhibit 99.1 to this report and is incorporated herein by reference. The information in this Current Report on Form 8-K, including the exhibit, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

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**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.

**ADAMS RESOURCES & ENERGY, INC.**

Date: November 10, 2004

By: /s/ Richard B. Abshire  
Richard B. Abshire  
Chief Financial Officer

**EXHIBIT INDEX**

Exhibit No. Description

- 99.1 Copy of Adams Resources & Energy, Inc. press release dated November 10, 2004 entitled Adams Resources Announces Third Quarter 2004 Net Earnings and announces a 30% dividend increase.
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**Jim Smith**  
**(713) 881-3662**

**FOR IMMEDIATE RELEASE**

**ADAMS RESOURCES INCREASES THIRD QUARTER 2004 NET EARNINGS AND  
ANNOUNCES A 30% DIVIDEND INCREASE**

Houston (November 10, 2004)-- Adams Resources & Energy, Inc., (AMEX-AE), announced unaudited third quarter 2004 net earnings of \$4,352,000 or \$1.03 per common share on revenues totaling \$550,563,000. This compares to unaudited third quarter 2003 net earnings of \$673,000 or \$.16 per share. For the nine months ended September 30, 2004, net earnings were \$6,408,000 or \$1.52 per share.

A summary of operating results follows:

	<b>Third Quarter</b>	
	2004	2003
Operating earnings (loss)		
Marketing	\$ 6,147,000	\$ 2,444,000
Transportation	1,609,000	(463,000)
Oil and gas	1,021,000	860,000
General & administrative	(2,120,000)	(1,640,000)
Interest, net	(5,000)	19,000
Income tax provision	(2,300,000)	(393,000)
<b>Earnings from continuing operations</b>	<b>4,352,000</b>	<b>827,000</b>
Earnings (loss) from discontinued operation, net of tax	-	(154,000)
<b>Net earnings</b>	<b>\$ 4,352,000</b>	<b>\$ 673,000</b>

Chairman K.S. "Bud" Adams, Jr., attributed the earnings increase to higher commodity prices and increased demand within the Company's petrochemical trucking operation. Increasing crude oil prices during the quarter expanded margins and enabled the Company to liquidate lower priced inventory into a rising market. The Company also experienced strong demand for its chemical transportation services reversing a loss in the prior year to current profitability.

The Company also announced its Board of Directors has declared an annual cash dividend in the amount of \$.30 per common share, payable on December 15, 2004 to shareholders of record as of December 2, 2004. The amount of the dividend is increased by 30 percent, or \$.07 per share, over last year. Chairman K. S. Bud Adams, Jr., said the Company's continued strength and the more favorable tax laws led to the dividend increase.

The information in this release includes certain forward-looking statements that are based on assumptions that in the future may prove not to have been accurate. A number of factors could cause actual results or events to differ materially from those anticipated. Such factors include, among others, (a) general economic conditions, (b) fluctuations in hydrocarbon prices and margins, (c) variations between crude oil and natural gas contract volumes and actual delivery volumes, (d) unanticipated environmental liabilities or regulatory changes, (e) counterparty credit default, (f) inability to obtain bank and/or trade credit support, (g) availability and cost of insurance, (h) changes in tax

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laws, and (i) the availability of capital, (j) changes in regulations, (k) results of current items of litigation, (l) uninsured items of litigation or losses, (m) uncertainty in reserve estimates and cash flows, (n) ability to replace oil and gas reserves, (o) security issues related to drivers and terminal facilities, (p) commodity price volatility and (q) successful completion of drilling activity. These and other risks are described in the Company's reports that are on file with the Securities and Exchange Commission.

UNAUDITED CONSOLIDATED STATEMENT OF OPERATIONS

(In thousands, except per share data)

	Nine Months Ended September 30,		Three Months Ended September 30,	
	2004	2003	2004	2003
Revenues	\$ 1,507,494	\$ 1,299,500	\$ 550,563	\$ 399,243
Costs, expenses and other	1,497,338	1,290,843	543,911	398,023
Income tax provision	3,495	3,252	2,300	393
Earnings from continuing operations	6,661	5,405	4,352	827
Income (loss) for discontinued operation, net of tax	(253)	(2,862)	-	(154)
Cumulative effect of accounting change, net of tax	-	(92)	-	-
Net earnings	\$ 6,408	\$ 2,451	\$ 4,352	\$ 673
Earnings (loss) per share				
From continuing operations	\$ 1.58	\$ 1.28	\$ 1.03	\$ .20
From discontinued operation	(.06)	(.68)	-	(.04)
Cumulative effect of accounting change	-	(.02)	-	-
Basic and diluted net earnings per common share	\$ 1.52	\$ .58	\$ 1.03	\$ .16
Dividends per common share	\$ -	\$ -	\$ -	\$ -

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

(In thousands)

	September 30, 2004	December 31, 2003
<b>ASSETS</b>		
Cash	\$ 21,734	\$ 28,342
Other current assets	179,005	157,309
Total current assets	200,739	185,651
Net property & equipment	25,332	24,407
Other assets	154	203
	\$ 226,225	\$ 210,261

LIABILITIES AND EQUITY

Total current liabilities	\$	162,178	\$	152,665
Long-term debt		11,475		11,475
Deferred taxes and other		3,932		3,889
Shareholders' equity		48,640		42,232
	\$	226,225	\$	210,261

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