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Walter Industries Q4 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions). And our first question comes from Gary Nelson. You may ask your question.

Unidentified Analyst

Hi. We are just wondering about the mix of shipments during the quarter at the two prices of roughly 135 and 315, and hoping you could provide a breakdown or at least an approximation of how many tons were shipped at each price during the quarter? And if there was any carryover tonnage from the prior contract season mix in there?

George Richmond

Yeah, the fourth quarter, there was approximately half a million tons of the 300 plus coal, and the rest being the 135. And no, I don't think there was any of the one-on-one from the previous year.

Unidentified Analyst

Okay. So how much does that leave of the 315 plus?

George Richmond

That would leave, what, approximately -- we've shipped a couple of 100,000 so far this month, this quarter. So that will leave approximately 1.7 for the rest of the year.

Unidentified Analyst

Okay. Great thanks. And then on the real disruption, when did that fire occur and has that issue been resolved successfully?

George Richmond

Yeah it occurred a week last Sunday and the CSX estimates are that it will start -- they'll be back in full transportation mode by this Sunday. So it was a two week outage.

Unidentified Analyst

Okay. Great, thanks.

Operator

Okay. Our next question comes from Michael Gaugler. Sir you may ask your question.

Michael Gaugler

Good morning everyone.

Victor Patrick

Good morning Michael.

Michael Gaugler - Brean Murray, Carret & Co.

Vic, I'd like to start-off with you first. Your comment about no federal taxes through 2009. As we look to forecast on a go forward basis here for the year, I'm guessing you're going to pay some state taxes. Any kind of guidance as to what we ought to be plugging in there?

Victor Patrick

Well I mean the state taxes that we'll pay are the Alabama Reid and it's not any different from prior years. The -- I'm sorry, Lisa's just scribbling me a note. About 6%? Okay. Which is about 6%. And then -- I'm sorry, what's the rest of your question Michael?

Michael Gaugler - Brean Murray, Carret & Co.

That was it. And then I have a couple for George. George on the 7 East delay, you're obviously going to have a little down time there over the summer months. Are you planning on keeping everybody working or encouraging vacation during that period or are you looking to furlough?

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