

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT

Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934

For the quarterly period ended April 1, 1995

Commission File Number 0-3701

VALMONT INDUSTRIES, INC.

Incorporated under the laws of the State of Delaware

I.R.S. Employer Identification Number 47-0351813

Valley, Nebraska 68064

Registrant's telephone number, including area code (402) 359-2201

Indicate by check mark whether the registrant (1) has filed all reports to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months, and (2) has been subject to such filing requirements for the past ninety days. Yes  No

As of April 30, 1995 there were outstanding 11,553,919 common shares of the registrant.

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VALMONT INDUSTRIES, INC. AND SUBSIDIARIES  
Condensed Consolidated Balance Sheets  
(Dollars in thousands except per share amounts)  
(Unaudited)

ASSETS	April 1, 1995	December 31, 1994
Current assets:		
Cash and cash equivalents	\$ 20,482	29,582
Receivables, net	77,513	73,185
Deferred income taxes	7,472	7,149
Inventories	66,383	59,221

Prepaid expenses	1,468	1,867
Total current assets	173,318	171,004
Other assets:		
Investments in nonconsolidated affiliates	991	991
Other	7,339	7,796
Total other assets	8,330	8,787
Net property, plant and equipment	90,080	86,383
Total assets	\$ 271,728	266,174
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts and notes payable	\$ 44,864	42,519
Other current liabilities	45,731	47,570
Total current liabilities	90,595	90,089
Deferred income taxes	11,546	9,990
Long-term debt, excl. current installments	34,092	35,489
Minority interest in consolidated subsidiaries	521	501
Other noncurrent liabilities	2,645	2,638
Shareholders' equity:		
Preferred stock of \$1 par value.		
Authorized 500,000 shares; none issued	--	--
Common stock of \$1 par value.		
Authorized 36,000,000 shares;		
issued 12,000,000 shares	12,000	12,000
Additional paid-in capital	1,664	1,664
Retained earnings	116,428	112,532
Currency translation adjustment	2,955	2,001
Less:	133,047	128,197
Cost of common shares in treasury--		
454,281 in 1995 (427,041 in 1994)	641	648
Unearned restricted stock	77	82
Total shareholders' equity	132,329	127,467
Total liabilities and shareholders' equity	\$ 271,728	266,174

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VALMONT INDUSTRIES, INC. AND SUBSIDIARIES  
Condensed Consolidated Statements of Operations  
(Dollars in thousands except per share amounts)  
(Unaudited)

	Thirteen Weeks Ended	
	April 1, 1995	March 26, 1994
Net sales	\$133,658	111,185
Cost of sales	102,041	86,828
Gross profit	31,617	24,357
Selling, general and administrative expenses	23,032	18,669
Operating income	8,585	5,688
Other income (deductions):		
Interest expense	(1,085)	(1,312)
Interest income	156	108
Miscellaneous	(244)	331
	(1,173)	(873)

Earnings before income taxes	7,412	4,815
	-----	-----
Income tax expense:		
Current	1,625	421
Deferred	1,025	1,381
	-----	-----
	2,650	1,802
	-----	-----
Net earnings	\$ 4,762	3,013
	=====	=====
Net earnings per share	\$ 0.41	0.26
	=====	=====
Cash dividends per share	\$ 0.075	0.075
	=====	=====
Weighted average number of shares of common stock outstanding (000 omitted)	11,679	11,681
	=====	=====

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VALMONT INDUSTRIES, INC. AND SUBSIDIARIES  
Condensed Consolidated Statements of Cash Flows  
(Dollars in thousands)  
(Unaudited)

	Thirteen Weeks Ended	
	April 1, 1995	March 27, 1994
	-----	-----
Net cash used by operations	\$ (972)	(649)
	-----	-----
Cash flows from investment activities:		
Purchase of property, plant & equipment	(5,518)	(4,661)
Additions to other assets	(86)	(365)
Proceeds from sale of property and equipment, net	3	2,523
Other, net	375	6
	-----	-----
Net cash used in investment activities	(5,226)	(2,497)
	-----	-----
Cash flows from financing activities:		
Net borrowings under short-term agreements	(59)	(76)
Principal payments and retirement of long-term obligations	(1,982)	(237)
Dividends paid	(866)	(865)
Proceeds from exercise of employee stock plans	5	385
Purchase of common treasury shares	-	(44)
	-----	-----
Net cash used in financing activities	(2,902)	(837)
	-----	-----
Net decrease in cash and cash equivalents	(9,100)	(3,983)
	-----	-----
Cash and cash equivalents--beginning of period	29,582	14,018
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Cash and cash equivalents--end of period	\$20,482	10,035

VALMONT INDUSTRIES, INC. AND SUBSIDIARIES  
Notes to Condensed Consolidated Financial Statements  
(Dollars in thousands)  
(Unaudited)

1. Condensed Consolidated Financial Statements  
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The Condensed Consolidated Balance Sheet as of April 1, 1995 and the Condensed Consolidated Statements of Operations and the Condensed Consolidated Statements of Cash Flows for the thirteen week periods ended April 1, 1995 and March 26, 1994 have been prepared by the Company, without audit. In the opinion of management, all necessary adjustments (which include normal recurring adjustments) have been made to present fairly the financial position at April 1, 1995 and for all periods presented.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. These Condensed Consolidated Financial Statements should be read in conjunction with the financial statements and notes thereto included in the Company's December 31, 1994 Annual Report to shareholders. The results of operations for the period ended April 1, 1995 are not necessarily indicative of the operating results for the full year.

2. Inventories  
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Approximately 49% of the Company's inventories are valued at cost on the basis of the last-in first-out (LIFO) dollar value method under the natural business unit concept, which is not in excess of market (net realizable value). As a result, it is not possible to segregate the inventories into their component values of raw material, work-in-process and finished goods. All other inventories are valued at the lower of first-in first-out (FIFO) cost or market (net realizable) value.

3. Cash Flows  
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For purposes of the Condensed Consolidated Statements of Cash Flows, the Company considers cash and cash investments with a maturity of three months or less when purchased, to be cash equivalents. Interest paid was \$914 and \$1,067 for the thirteen week periods ended April 1, 1995 and March 26, 1994, respectively. Income tax refunds exceeded payments by \$116 and \$353 for the thirteen week periods ended April 1, 1995 and March 26, 1994, respectively.

4. Earnings Per Share  
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Earnings per share are based on the weighted average number of common shares outstanding and equivalent common shares from dilutive stock options.

VALMONT INDUSTRIES, INC. AND SUBSIDIARIES  
Management's Discussion and Analysis  
of  
Financial Condition and Results of Operations

Results of Operations

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For the first quarter of 1995 net sales were \$133.7 million, an increase of 20% over the \$111.2 million reported for the same period of 1994. Sales in the Irrigation Products business increased in the first quarter of 1995 versus the same period in 1994 as a result of strong demand in the North American market. This demand was driven by water conservation as customers continued to convert to center pivot and linear move irrigation from less efficient methods. Sales to international markets for the first quarter were above sales levels for the like period a year ago.

In the Engineered Metal Structures businesses, both the North American and European pole and tubing operations posted higher first quarter 1995 sales versus 1994. Sales of lighting ballasts for the first quarter were about the same as the like period in 1994.

Gross profit as a percent of sales was 23.7% and 21.9% for the first quarters of 1995 and 1994, respectively. The increase in 1995's gross profit percentage primarily resulted from the ballast business reporting a substantial increase for the quarter versus last year due to reduced costs. Irrigation Products gross profit as a percentage of sales also increased for the first quarter. The Engineered Metal Structures businesses gross profit percentage decreased in the first quarter of 1995 versus 1994 due to lower margins on certain transmission pole orders.

Selling, general and administrative (SG&A) expenses were \$23.0 million in the first quarter of 1995 compared to \$18.7 million in the first quarter of 1994. As a percent of gross profit, SG&A expenses for the respective quarters were 72.8% and 76.6%. Increased sales commissions and incentives and investments in future business developments, contributed to the increases during the first quarter of 1995 versus 1994.

For the first thirteen weeks of 1995 and 1994, interest expense was \$1.1 million and \$1.3 million, respectively. The decrease in 1995 results primarily from lower debt levels.

The effective income tax rates for the first quarters of 1995 and 1994 were 35.8% and 37.4%, respectively. The decrease was due to nontaxable interest income and foreign sales corporation tax benefits being greater in 1995.

As a result of the aforementioned operating factors and general business conditions, net earnings increased to \$4.8 million in the first quarter of 1995 from \$3.0 million in the first quarter of 1994. Earnings per share were \$0.41 and \$0.26 for the first quarters of 1995 and 1994, respectively.

VALMONT INDUSTRIES, INC. AND SUBSIDIARIES  
Management's Discussion and Analysis  
of  
Financial Condition and Results of Operations (Continued)

Liquidity and Capital Resources

Net working capital of \$82.7 million compared to net working capital of \$80.9 million at December 31, 1994. The ratio of current assets to current liabilities was 1.9:1 at both April 1, 1995 and December 31, 1994.

Expenditures for property, plant and equipment for the thirteen week period ended April 1, 1995 were approximately \$5.5 million, while depreciation of property, plant and equipment was \$2.9 million. The major investment in the first quarter was the new plant facility in Utah. Expenditures were also made to expand the Texas plant and to begin construction of a China facility due for completion by year's end. These expenditures were made to expand market penetration and keep equipment and facilities modern.

Available lines of credit at April 1, 1995 totaled \$48 million of which approximately \$45 million was unused. Long-term debt was 22.5% of total capitalization at April 1, 1995 versus 23.9% at December 31, 1994. Valmont's objective is to maintain long-term debt in the range of 32% to 40% of total capital employed. However, occasionally business conditions or opportunities may warrant being temporarily outside this range. The Company is below the lower limit of the range due to the divestiture of Inacom Corp. in 1993 and subsequent long-term debt payments.

The Company believes cash flow from operations, existing credit facilities and capital structure now in place will be adequate to satisfy 1995 capital expenditures, dividends and other financial commitments.

VALMONT INDUSTRIES, INC. AND SUBSIDIARIES

PART II - OTHER INFORMATION

Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Valmont's annual shareholders' meeting was held on April 18, 1995. The shareholders voted to elect three directors and to ratify the appointment of KPMG Peat Marwick LLP as independent accountants for fiscal 1995. For the annual meeting there were 11,545,385 shares outstanding and eligible to vote of which 10,599,524 were present at the meeting in person or by proxy. The tabulation for each matter voted upon at the meeting was as follows:

Election of Directors:

	For ---	Withheld -----	Broker Non-vote -----
Charles M. Harper	10,589,176	10,348	-0-
Lloyd P. Johnson	10,588,652	10,872	-0-
Thomas F. Madison	10,590,052	9,472	-0-

Proposal to ratify the appointment of KPMG Peat Marwick LLP as independent accountants for fiscal 1995:

For	10,580,220
Against	10,027
Withheld	9,277
Broker Non-vote	-0-

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K  
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A. Exhibits  
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None

B. Reports on Form 8-K  
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The Company filed no reports on Form 8-K during the past fiscal quarter.

Signatures  
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Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf and by the Undersigned hereunto duly authorized.

VALMONT INDUSTRIES, INC.

By /s/Terry J. McClain

\_\_\_\_\_  
Terry J. McClain  
Vice President and  
Chief Financial Officer  
(Principal Financial Officer)

Dated this \_\_8TH\_\_ day of May, 1995.

3-MOS

DEC-30-1995

APR-01-1995

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