

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 10-K/A

Amendment No. 1

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

For the fiscal year ended December 31, 2010

or

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

Commission file number: 033-75154

**J.B. Poindexter & Co., Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State of incorporation)

**76-0312814**

(I.R.S. Employer Identification No.)

**600 Travis, Suite 200**

**Houston, Texas 77002**

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (713) 655-9800

**Securities Registered Pursuant to Section 12 (b) of the Act: None**

**Name of each exchange which registered: None**

**Securities Registered Pursuant to Section 12 (g) of the Act: None**

Indicate by check mark if the Registrant is a well-known seasoned issuer as defined in Rule 405 of the Securities Act.  
Yes  No

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.  
Yes  No

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 has submitted electronically and posted on its corporate website, if any, every interactive Data File required to be submitted electronically and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or such shorter period that Registrant was required to post such files). Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by Reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company

(do not check if a smaller reporting company)

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

The aggregate market value of the voting and non-voting common stock held by non-affiliates of the Registrant as of June 3, 2011 was approximately \$0.00. The number of shares of the Registrant's common stock outstanding as of June 3, 2010 was 3,059.

DOCUMENTS INCORPORATED BY REFERENCE

None.

## **J.B. POINDEXTER & CO., INC. AND SUBSIDIARIES**

We originally filed our Form 10-K for the year ended December 31, 2010 on April 13, 2011 (the “2010 Form 10-K”). We are filing this Amendment No. 1 to the 2010 Form 10-K (this “Amendment”) solely to amend and restate our Consolidated Statement of Cash Flows and certain other financial information for 2010 therein. The restatement adjusts the amount we reported as depreciation expense resulting from an error in compiling the consolidated total reported in such statement. As of December 31, 2010, we increased depreciation expense by \$1,273,000 with a corresponding reduction in the “other” adjustments included in the determination of operating cash flows. The net effect of these adjustments did not impact the total cash provided by operating activities as reported in the Consolidated Statement of Cash Flows for the year then ended. Additionally, this adjustment did not impact the results of operations or financial position of the Company.

This adjustment did impact the Company’s determination of EBITDA included as a non-GAAP measure as presented in Item 6 – Selected Financial Data as well as management’s assessment of its internal controls over financial reporting as discussed in Item 9A – Controls and Procedures. The adjustment also affected the depreciation and depreciation and amortization expense disclosures in Notes 2 and 4 to the Consolidated Financial Statements and such amounts have been adjusted to reflect the change reported above.

No other changes to our 2010 Form 10-K are effected by this filing other than certifications of our principal executive officer and principal financial officer, which have been updated and are being filed with this Amendment.

**J.B. POINDEXER & CO., INC.**  
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## Item 6. Selected Financial Data

The selected financial data shown below for each of the five years in the period ended December 31, 2010 has been derived from the Consolidated Financial Statements of the Company. The following data should be read in conjunction with the Consolidated Financial Statements and related Notes thereto and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in this Form 10-K.

(Dollars in Millions)	Year ended December 31,				
	2010	2009	2008	2007	2006
<b>Operating data:</b>					
Revenues .....	\$ 553.6	\$ 480.6	\$ 706.4	\$ 792.2	\$ 795.4
Cost of sales .....	481.9	420.1	610.8	707.2	701.1
Gross profit .....	71.7	60.5	95.6	85.0	94.3
Selling and administrative expenses .....	53.7	49.0	66.3	64.9	63.0
Closed and excess facility costs .....	1.0	0.6	0.8	0.2	2.7
Loss (gain) on sale lease-back of real estate ...	2.5	(0.3)	—	—	—
Gain on repurchase of 8.75% Notes.....	—	(0.2)	(0.4)	—	—
Other expense (income).....	0.1	0.5	(0.8)	(0.3)	(0.2)
Operating income .....	14.4	10.9	29.7	20.2	28.8
Interest expense .....	17.9	18.2	18.5	18.7	18.9
Interest income.....	—	(0.2)	(0.4)	(0.8)	(1.7)
Income tax provision (benefit) .....	(1.5)	(2.2)	4.8	3.1	3.4
Net income (loss).....	\$ (2.0)	\$ (4.9)	\$ 6.8	\$ (0.8)	\$ 8.2
Ratio of earnings to fixed charges <sup>(a)</sup> .....	0.8x	0.6x	1.5x	1.1x	1.5x
<b>Other data:</b>					
EBITDA <sup>(b)</sup> .....	\$ 34.5	\$ 28.4	\$ 48.6	\$ 43.5	\$ 43.8
Consolidated Coverage Ratio <sup>(c)</sup> .....	1.9	1.6	2.6	2.3	2.4
<b>Balance sheet data (at year end):</b>					
Working capital .....	\$ 112.9	\$ 99.4	\$ 99.2	\$ 83.3	\$ 112.3
Total assets.....	\$ 286.7	\$ 286.0	\$ 295.9	\$ 297.2	\$ 292.4
Total debt .....	\$ 203.5	\$ 205.2	\$ 207.4	\$ 213.6	\$ 207.6
Stockholder’s equity.....	\$ 17.6	\$ 19.4	\$ 23.8	\$ 18.3	\$ 18.3

- (a) For the purpose of calculating the ratio of earnings to fixed charges, earnings consist of net income (loss) plus income taxes and fixed charges (excluding capitalized interest). Fixed charges consist of interest expense, amortization of debt issuance costs and the estimated portion of rental expenses deemed a reasonable approximation of the interest factor.
- (b) “EBITDA” is net income from continuing operations increased by the sum of interest expense, income taxes, depreciation and amortization, and other noncash items for those operations defined as restricted subsidiaries in the Indenture. EBITDA was increased by \$1.3 million resulting from restatement as discussed in the introductory paragraph of this Amendment. EBITDA is not included herein as operating data and should not be construed as an alternative to operating income (determined in accordance with accounting principles generally accepted in the United States) as an indicator of the Company’s operating performance. The Company has included EBITDA because it is relevant for determining compliance under the Indenture and because the Company understands that it is one measure used by certain investors to analyze the Company’s operating cash flow and historical ability to service its indebtedness. The following are the components of the Company’s EBITDA:

(Dollars in Millions)	Year ended December 31,				
	2010	2009	2008	2007	2006
Net income (loss) .....	\$ (2.0)	\$ (4.9)	\$ 6.8	\$ (0.8)	\$ 8.2
Income tax provision (benefit) .....	(1.5)	(2.2)	4.8	3.1	3.4
Interest expense.....	17.9	18.2	18.5	18.7	18.9
Depreciation and amortization .....	16.6	17.0	17.7	15.1	12.0
Loss (gain) on sale lease-back of real estate ..	2.5	(0.3)	—	—	—
Noncash charges .....	1.0	0.6	0.8	—	1.1
Pro forma effect of acquisitions.....	—	—	—	7.4	0.2
EBITDA .....	\$ 34.5	\$ 28.4	\$ 48.6	\$ 43.5	\$ 43.8

(c) “Consolidated Coverage Ratio” is the ratio of EBITDA to interest expense. Among other things, it is used in the Indenture to limit the amount of indebtedness that the Company may incur. All the Company’s subsidiaries are restricted under the terms of the Indenture and guarantee the 8.75% Notes.

**Item 8. Financial Statements and Supplementary Data**

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**J.B. Poindexter & Co., Inc. and Subsidiaries**

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## **Report of Independent Registered Public Accounting Firm**

Board of Directors and Stockholder of  
J.B. Poindexter & Co., Inc.

We have audited the accompanying consolidated balance sheets of J.B. Poindexter & Co., Inc. and subsidiaries (Company) as of December 31, 2010 and 2009, and the related consolidated statements of operations, stockholder's equity, and cash flows for each of the three years in the period ended December 31, 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal controls over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of J.B. Poindexter & Co., Inc. and subsidiaries as of December 31, 2010 and 2009, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2010 in conformity with U.S. generally accepted accounting principles.

As discussed in Note 17, the Company restated its 2010 Consolidated Statement of Cash Flows for an error in the classification of items reported within operating cash flows.

/s/ CROWE HORWATH LLP

South Bend, Indiana

April 13, 2011, except as to Note 17 which is June 15, 2011

**J.B. POINDEXTER & CO., INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(Dollars in Thousands)

	December 31,	
	2010	2009
<b>Assets</b>		
Current assets		
Cash and cash equivalents.....	\$ 58,382	\$ 54,176
Accounts receivable, net .....	36,023	34,982
Inventories, net .....	61,578	52,718
Deferred income taxes.....	463	1,368
Income tax receivable.....	9,287	6,356
Prepaid expenses and other .....	2,891	2,590
Total current assets .....	168,624	152,190
Property, plant and equipment, net.....	56,436	70,073
Goodwill.....	35,000	35,000
Intangible assets, net.....	14,299	15,836
Other assets .....	12,365	12,865
Total assets .....	\$286,724	\$285,964
<b>Liabilities and stockholder's equity</b>		
Current liabilities		
Current portion of long-term debt.....	\$ 2,260	\$ 2,259
Accounts payable .....	26,966	27,699
Accrued compensation and benefits .....	9,647	6,431
Other accrued liabilities.....	16,805	16,420
Total current liabilities.....	55,678	52,809
Noncurrent liabilities		
Long-term debt, less current portion.....	201,233	202,935
Deferred income taxes.....	3,614	3,818
Employee benefit obligations and other .....	8,554	6,966
Total noncurrent liabilities.....	213,401	213,719
Stockholder's equity		
Common stock, par value \$0.01 per share (3,059 shares issued and outstanding) ....	—	—
Capital in excess of par value of stock.....	19,486	19,486
Accumulated other comprehensive income.....	529	290
Accumulated deficit .....	(2,370)	(340)
Total stockholder's equity .....	17,645	19,436
Total liabilities and stockholder's equity .....	\$286,724	\$285,964

*The accompanying notes are an integral part of these consolidated financial statements.*

**J.B. POINDEXTER & CO., INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Dollars in Thousands)

	Years ended December 31,		
	2010	2009	2008
Revenues .....	\$ 553,561	\$ 480,647	\$ 706,409
Cost of revenues .....	481,888	420,146	610,799
Gross profit .....	71,673	60,501	95,610
Selling and administrative expenses .....	53,699	48,961	66,290
Closed and excess facility costs .....	951	642	788
Loss (gain) on sale lease-back of real estate .....	2,555	(265)	—
Gain on repurchase of 8.75% Notes.....	—	(186)	(416)
Other expense (income).....	105	489	(733)
Operating income.....	14,363	10,860	29,681
Interest expense.....	17,917	18,163	18,491
Interest income.....	(62)	(197)	(410)
Income (loss) before income taxes.....	(3,492)	(7,106)	11,600
Income tax provision (benefit) .....	(1,462)	(2,210)	4,810
Net income (loss).....	\$ (2,030)	\$ (4,896)	\$ 6,790

*The accompanying notes are an integral part of these consolidated financial statements.*

**J.B. POINDEXTER & CO., INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDER'S EQUITY**  
(Dollars in Thousands)

For the years ended December 31, 2010, 2009 and 2008	Shares of common stock	Common stock and paid-in capital	Retained earnings (accumulated deficit)	Accumulated other comprehensive income (loss)	Total
<b>January 1, 2008</b> .....	3,059	\$ 19,486	\$ (2,234)	\$ 1,017	\$ 18,269
Net income .....	—	—	6,790	—	6,790
Translation adjustment.....	—	—	—	(1,271)	(1,271)
Comprehensive income .....					5,519
<b>December 31, 2008</b> .....	3,059	19,486	4,556	(254)	23,788
Net loss.....	—	—	(4,896)	—	(4,896)
Translation adjustment.....	—	—	—	544	544
Comprehensive loss .....					(4,352)
<b>December 31, 2009</b> .....	3,059	19,486	(340)	290	19,436
Net loss.....	—	—	(2,030)	—	(2,030)
Translation adjustment.....	—	—	—	239	239
Comprehensive loss .....					(1,791)
<b>December 31, 2010</b> .....	3,059	\$ 19,486	\$ (2,370)	\$ 529	\$ 17,645

*The accompanying notes are an integral part of these consolidated financial statements.*

**J.B. POINDEXTER & CO., INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Dollars in Thousands)

	Years ended December 31,		
	2010	2009	2008
	Restated		
<hr/>			
Cash flows from operating activities:			
Net income (loss).....	\$ (2,030)	\$ (4,896)	\$ 6,790
Adjustments to reconcile net income (loss) to net cash provided			
by operating activities:			
Depreciation and amortization.....	16,551	16,998	17,658
Amortization of debt issuance costs.....	559	584	691
Loss (gain) on sale lease-back of real estate.....	2,555	(265)	—
Gain on redemption of 8.75% Notes.....	—	(186)	(416)
Provision for excess and obsolete inventory.....	1,809	1,181	2,218
Provision for doubtful accounts receivable.....	151	154	1,181
Loss on sale of property, plant and equipment.....	425	355	199
Deferred income tax provision.....	701	1,529	3,036
Impairment of intangible assets.....	—	—	300
Other.....	(419)	442	127
Change in assets and liabilities, net of the effect of business			
acquisitions and dispositions:			
Accounts receivable.....	(1,192)	7,820	8,594
Inventories.....	(10,669)	12,998	9,179
Prepaid expenses and other.....	(301)	300	(93)
Accounts payable.....	(733)	1,100	(4,715)
Accrued income taxes.....	(2,225)	(1,668)	1,076
Other accrued liabilities.....	(1,287)	(7,224)	(355)
Net cash provided by operating activities.....	<u>3,895</u>	<u>29,222</u>	<u>45,470</u>
Cash flows from investing activities:			
Acquisition of businesses, net of cash acquired.....	—	—	(233)
Proceeds from sale lease-back of real estate.....	14,975	—	7,135
Proceeds from disposition of business, property, plant and equipment.....	857	1,811	—
Purchase of property, plant and equipment.....	(14,816)	(11,320)	(14,719)
Reduction (issuance) of insurance collateral deposits.....	982	(315)	(736)
Net cash provided by (used in) investing activities.....	<u>1,998</u>	<u>(9,824)</u>	<u>(8,553)</u>
Cash flows from financing activities:			
Net proceeds from revolving credit facility.....	—	(379)	(3,321)
Payments of long-term debt and capital leases.....	(1,726)	(1,346)	(2,758)
Net cash used in financing activities.....	<u>(1,726)</u>	<u>(1,725)</u>	<u>(6,079)</u>
Translation impacts.....	39	252	(1,271)
Change in cash and cash equivalents.....	4,206	17,925	29,567
Cash and cash equivalents, beginning of year.....	54,176	36,251	6,684
Cash and cash equivalents, end of year.....	<u>\$ 58,382</u>	<u>\$ 54,176</u>	<u>\$ 36,251</u>

**J.B. POINDEXTER & CO., INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(Dollars in Thousands)

*The accompanying notes are an integral part of these consolidated financial statements.*

**1. Summary of Significant Accounting Policies**

*Principles of Consolidation.* The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States. All intercompany accounts and transactions have been eliminated in consolidation.

*Cash and Cash Equivalents.* Cash and all highly liquid investments with a maturity of three months or less at the date of purchase, including short-term deposits and government agency and corporate obligations, are classified as cash and cash equivalents. At times, the Company has maintained deposits in financial institutions in excess of federally insured limits.

*Revenue Recognition.* Revenue is recognized upon shipment of the product to customers, except for Morgan and Morgan Olson where revenue is recognized when title transfers to the customer upon final body assembly, quality inspection and customer notification. Amounts billed to customers related to shipping and handling are classified as revenue. The costs associated with the shipping and handling revenue are included in cost of revenues.

*Accounts Receivable.* The Company sells to customers on terms customary in its industries. Discounts are allowed for early payment but only if economically justified based on the cost of capital. Accounts receivable is stated net of an allowance for doubtful accounts of \$603 and \$1,028 at December 31, 2010 and 2009, respectively. The Company establishes an allowance for doubtful accounts receivable on a case-by-case basis when it believes that the required payment of specific amounts owed is unlikely to occur. The activity in the allowance for doubtful accounts for the years ended December 31 was:

	<b>2010</b>	<b>2009</b>	<b>2008</b>
Balance at the beginning of the year .....	\$ 1,028	\$ 1,740	\$ 1,182
Provision for losses .....	151	154	1,181
Charge-offs.....	(232)	(620)	(576)
Recoveries .....	(344)	(246)	(47)
Balance at the end of the year .....	<u>\$ 603</u>	<u>\$ 1,028</u>	<u>\$ 1,740</u>

The carrying amounts of trade accounts receivable approximate fair value because of the short maturity of those instruments. The Company is not aware of any significant credit risks related to its customer base and does not generally require collateral or other security to support customer receivables.

*Inventories.* Inventories are stated at the lower of cost or market. Cost is determined by the first-in, first-out (FIFO) method.

*Property, Plant and Equipment.* Property, plant and equipment, including property under capital leases, are stated at cost. The cost of property under capital leases is the lower of the present value of the future minimum lease payments or fair value at the inception of the lease. Depreciation and amortization is computed by using the straight-line method over the estimated useful lives of the applicable assets or over the shorter of the lease term or the estimated useful life of leasehold improvements. The cost of maintenance and repairs is charged to operating expense as incurred and the cost of major replacements and significant improvements is capitalized.

**J.B. POINDEXTER & CO., INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(Dollars in Thousands)

*Goodwill and Intangible Assets.* Goodwill and intangible assets with indefinite useful lives are not amortized, but are evaluated at least annually for impairment or more frequently if facts and circumstances indicate that the assets may be impaired. Intangible assets that are determined to have finite lives are amortized on a straight-line basis over the period in which we expect to receive economic benefit. See Note 5 for further discussion on goodwill and intangible assets.

*Debt Issuance Costs.* Debt issuance costs are amortized using the effective interest method over the term of the related debt, which ranges from four to ten years. Amortization of debt issuance costs is included in interest expense (see Note 5).

*Evaluation of Impairment of Long-Lived Assets.* The Company evaluates the carrying value of long-lived assets whenever significant events or changes in circumstances indicate the carrying value of these assets may be impaired. The Company evaluates potential impairment of long-lived assets by comparing the carrying value of the assets to the expected net future cash flows resulting from the use of the assets. As indicated in Note 5, the Company recorded impairment charges in 2008.

*Warranty.* Morgan provides product warranties for periods of up to five years. Morgan Olson provides a warranty period, which is one year or 12,000 miles for certain components, three years or 36,000 miles for paint, and five years or 50,000 miles for the van body structure. Truck Accessories provides a warranty period, exclusive to the original truck owner, which is, in general but with exclusions, one year for parts, five years for paint and lifetime for structure. The Specialty Vehicle Group provides a warranty on its products for a period of 48 months or 50,000 miles on the section of the body and parts manufactured for funeral coaches and funeral limousines, 36 months or 50,000 miles on the body and parts manufactured for bus bodies, and 48 months or 100,000 miles on the section of the body and parts manufactured for limousines. The remaining operations of Specialty Manufacturing do not provide a warranty on their products. A provision for warranty costs is included in cost of sales when goods are sold based on historical experience and estimated future claims. The Company had accrued warranty costs of \$4,029 and \$3,481 at December 31, 2010 and 2009, respectively. The activity in the accrued warranty cost accounts for the years ended December 31 was:

	<b>2010</b>	<b>2009</b>	<b>2008</b>
Balance at the beginning of the year .....	\$ 3,481	\$ 3,631	\$ 4,343
Provision for losses .....	2,696	1,354	1,739
Charge-offs.....	(2,148)	(1,504)	(2,451)
Balance at the end of the year .....	4,029	3,481	3,631
Less: Short-term .....	2,610	1,687	1,246
Long-Term .....	<u>\$ 1,419</u>	<u>\$ 1,794</u>	<u>\$ 2,385</u>

*Advertising and Research and Development Expense.* The Company expenses advertising costs and research and development (“R&D”) costs as incurred. During the years ended December 31, 2010, 2009 and 2008, advertising expense was \$1,082, \$1,749 and \$3,324 respectively, and R&D expense was \$1,396, \$1,192 and \$2,298, respectively.

*Income Taxes.* The provision (benefit) for income taxes is based on income recognized for financial statement purposes and includes the effects of temporary and permanent differences between such income and that recognized for tax return purposes. Deferred tax assets and liabilities are computed based on the difference between the financial statement and income tax bases of assets and liabilities using the enacted tax rates. The Company considers the earnings in its Canadian operations to be permanently invested and as such has not provided for deferred taxes related to potential distributions of those earnings. The amount of undistributed earnings at December 31, 2010 was not material.

**J.B. POINDEXTER & CO., INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(Dollars in Thousands)**

The Company's management believes it is more likely than not that current and long-term deferred tax assets will reduce future income tax payments. Should the Company determine it is more likely than not that it will be unable to realize all or part of the net deferred tax asset in the future, a valuation allowance, necessary to reduce the deferred tax asset to the amount that is more likely than not to be realized, would reduce income in the period such determination was made.

The Company accounts for uncertain tax positions and reports a liability for unrecognized tax benefits resulting from uncertain tax positions taken or expected to be taken in a tax return. The Company recognizes interest and penalties, if any, related to unrecognized tax benefits in income tax expense.

*Self-Insurance Reserves.* The Company utilizes a combination of insurance coverage and self-insurance programs for property, casualty, workers' compensation and healthcare insurance. The Company records a fully developed self-insurance reserve to cover the self-insured portion of these risks based on known facts and historical industry trends. Changes in management's assumptions may result in a different self-insurance reserve.

*Contingent Liabilities.* Reserves are established for estimated environmental and legal loss contingencies when a loss is probable and the amount of the loss can be reasonably estimated. Revisions to contingent liabilities are reflected in income in the period in which different facts or information become known or circumstances change that affect the previous assumptions with respect to the likelihood or amount of loss. Reserves for contingent liabilities are based upon the assumptions and estimates regarding the probable outcome of the matter. Should the outcome differ from the assumptions and estimates, revisions to the estimated reserves for contingent liabilities would be required.

*Comprehensive Income.* Comprehensive income consists of net income (loss) and other comprehensive income (loss). Other comprehensive income (loss) consists of foreign currency translation adjustments, which are also recognized as a separate component of equity.

*Translation of Foreign Financial Statements.* Assets and liabilities of foreign operations are translated at year-end rates of exchange, and the income statements are translated at the average rates of exchange for the year. Gains or losses resulting from translating foreign currency financial statements are accumulated in a separate component of stockholder's equity until the foreign operations are sold or substantially liquidated. Gains or losses resulting from foreign currency transactions (transactions that require settlement in a currency other than the Company's functional currency) are included in net income (loss).

*Fair Value of Financial Instruments.* The Company's financial instruments consist of cash and cash equivalents, receivables and debt. Fair values of cash and cash equivalents and receivables approximate carrying values for these financial instruments since they are relatively short-term in nature. The carrying amount of debt, except for the Company's 8.75% Notes (see Note 8), approximates the fair value due either to length of maturity or existence of variable interest rates that approximate prevailing market rates. The fair value of the Company's 8.75% Notes is determined under the provisions of applicable guidance, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

*Use of Estimates.* The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates subject to change include the valuation of goodwill and other intangible assets, the allowances for doubtful accounts, shrinkage and

**J.B. POINDEXTER & CO., INC. AND SUBSIDIARIES**  
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excess and obsolete inventory, the valuation of deferred tax assets, and the allowances for self-insurance risks, warranty claims, and environmental claims.

*Recent Accounting Pronouncements.* In June 2009, the Financial Accounting Standards Board issued Accounting Standards Update No. 2009-17 (an amendment to Accounting Standards Codification 810, *Consolidation*), *Improvements to Financial Reporting by Enterprises Involved with Variable Interest Entities*, “ASU No. 2009-17.” This update significantly changes the consolidation rules as they related to variable interest entities (“VIEs”). The update specifically changes how a reporting entity determines when an entity that is insufficiently capitalized or is not controlled through voting (or similar rights) should be consolidated. The determination of whether a reporting entity is required to consolidate another entity is based on, among other things, the other entity’s purpose and design and the reporting entity’s ability to direct the activities of the other entity that most significantly impact the other entity’s economic performance. As a result, it is expected that many off-balance-sheet entities previously exempt from consolidation – qualified special-purpose entities (QSPEs) – will be subject to consolidation. Due to the elimination of the QSPE scope exception, the impact of the changes resulting from this update may be more evident to financial services companies; however, the new guidance will have broad applicability across all industries. In addition, ASU No 2009-17 requires a number of new disclosures, including the requirements for a reporting entity to provide additional disclosures about its involvement with VIEs, any significant changes in risk exposure due to that involvement, and how its involvement with a VIE affects the reporting entity’s financial statements. The adoption of this update did not have a material effect on our consolidated financial statements.

**2. Segment Data**

The Company operates and manages its subsidiaries within the separate business segments. The Company evaluates performance and allocates resources based on the operating income of each segment. The accounting policies of the reportable business segments are the same as those described in the summary of significant accounting policies.

The following is a summary of the business segment data for the years ended December 31:

<b>Revenues</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
Morgan .....	\$ 197,383	\$ 146,902	\$ 233,893
Morgan Olson .....	85,834	61,593	104,437
Truck Accessories.....	123,890	115,607	131,871
Specialty Manufacturing.....	148,409	157,925	238,337
Eliminations .....	(1,955)	(1,380)	(2,129)
Revenues .....	<u>\$ 553,561</u>	<u>\$ 480,647</u>	<u>\$ 706,409</u>

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<b>Operating Income</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
Morgan .....	\$ 8,601	\$ 1,156	\$ 3,953
Morgan Olson.....	5,101	2,565	5,415
Truck Accessories .....	12,687	7,839	2,403
Specialty Manufacturing.....	(1,760)	2,937	25,895
JBPCO (Parent).....	(10,266)	(3,637)	(7,985)
Operating Income .....	<u>\$ 14,363</u>	<u>\$ 10,860</u>	<u>\$ 29,681</u>

<b>Depreciation and Amortization Expense</b>	<b>Restated</b>	<b>2009</b>	<b>2008</b>
Morgan .....	\$ 1,816	\$ 1,921	\$ 2,054
Morgan Olson.....	792	761	1,027
Truck Accessories .....	3,130	4,057	4,191
Specialty Manufacturing.....	10,087	10,141	10,281
JBPCO (Parent).....	726	118	105
Depreciation and Amortization Expense .....	<u>\$ 16,551</u>	<u>\$ 16,998</u>	<u>\$ 17,658</u>

<b>Total Assets as of December 31,</b>	<b>2010</b>	<b>2009</b>
Morgan .....	\$ 38,574	\$ 39,819
Morgan Olson .....	9,430	19,311
Truck Accessories.....	56,553	58,371
Specialty Manufacturing.....	118,242	112,712
JBPCO (Parent).....	63,925	55,751
Identifiable Assets.....	<u>\$ 286,724</u>	<u>\$ 285,964</u>

<b>Capital Expenditures</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
Morgan .....	\$ 1,601	\$ 1,276	\$ 735
Morgan Olson .....	1,400	361	799
Truck Accessories.....	2,065	2,200	3,070
Specialty Manufacturing .....	6,970	5,034	9,176
JBPCO (Parent) .....	2,780	2,449	939
Capital Expenditures.....	<u>\$ 14,816</u>	<u>\$ 11,320</u>	<u>\$ 14,719</u>

Morgan had two customers that accounted for, on a combined basis, approximately 56%, 54% and 48% of Morgan's revenues during 2010, 2009 and 2008, respectively. Accounts receivable from these customers totaled \$2,323 and \$2,816 at December 31, 2010 and 2009, respectively.

Morgan Olson had one customer that accounted for approximately 41%, 31% and 44% of Morgan Olson's revenues during 2010, 2009 and 2008, respectively. Accounts receivable from this customer were \$109 and \$123 at December 31, 2010 and 2009, respectively.

Specialty Manufacturing has two customers in the international oilfield service industry that accounted for approximately 44%, 39% and 42% of Specialty Manufacturing's revenues during 2010, 2009 and 2008,

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respectively. Accounts receivable from these customers totaled \$8,272 and \$4,882 at December 31, 2010 and 2009, respectively.

The Company, on a consolidated basis, had five customers that accounted for approximately 38%, 33% and 37% of total revenues during 2010, 2009 and 2008, respectively. Accounts receivable from these customers totaled \$10,704 and \$7,821 at December 31, 2010 and 2009, respectively. These were customers of Morgan, Morgan Olson and Specialty Manufacturing. Morgan had two customers, Penske and Ryder, which individually accounted for more than 10% of the Company's revenues during any one or more of 2010, 2009 and 2008. Penske accounted for approximately 10%, 11% and 8% of the Company's total revenues during 2010, 2009 and 2008, respectively. Accounts receivable for Penske was \$1,036 and \$1,696 at December 31, 2010 and 2009, respectively. Ryder accounted for approximately 10%, 6% and 8% of the Company's total revenues during 2010, 2009 and 2008, respectively. Accounts receivable for Ryder was \$1,287 and \$1,120 at December 31, 2010 and 2009, respectively.

The Company's operations are located principally in the United States. However, Morgan has operations located in Canada and Specialty Manufacturing has operations in Mexico and Malaysia. Long-lived assets relating to these foreign operations were \$10,423 and \$9,168 at December 31, 2010 and 2009, respectively. Consolidated revenues included \$44,545, \$31,881 and \$31,888 in 2010, 2009 and 2008, respectively, of sales to customers outside the United States.

JBPCO (Parent) operating expenses for all periods comprise the costs of the parent company office and personnel who provide strategic direction and support to the subsidiary companies. JBPCO (Parent) costs were \$10,266, \$3,637, and \$7,985 for 2010, 2009 and 2008, respectively.

The sale lease-back transaction consummated in December 2010 with Poindexter Properties, LLC resulted in a recognized loss on sale of real estate of \$2,820 and a deferred gain on sale lease-back of \$3,595. The Company considers the loss related to the sale of real estate under the sale lease-back arrangement to be an unusual transaction that is not considered by the Company's chief operating decision maker in his assessment of segment profitability and as a result has been included in JBPCO (Parent) category. To be consistent with treatment of the 2010 loss, the Company reclassified the \$265 income recognized in 2009 on the deferred gain originating from the 2008 sale lease-back arrangement with Poindexter Properties, LLC that was previously presented as Morgan operating income.

**3. Inventories**

Consolidated net inventories consisted of the following:

	<b>December 31,</b>	
	<b>2010</b>	<b>2009</b>
Raw materials.....	\$ 27,246	\$ 24,946
Work in process .....	19,978	14,894
Finished goods .....	14,354	12,878
Total inventories .....	<u>\$ 61,578</u>	<u>\$ 52,718</u>

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Inventories are stated net of an allowance for excess and obsolete inventory of \$2,975 and \$3,391 at December 31, 2010 and 2009, respectively. The activity in the allowance for excess and obsolete inventory accounts for the years ended December 31 was:

	2010	2009	2008
Balance at the beginning of the year .....	\$ 3,391	\$ 3,166	\$ 1,707
Provision for losses .....	1,809	1,181	2,218
Charge-offs.....	(2,225)	(956)	(759)
Balance at the end of the year .....	<u>\$ 2,975</u>	<u>\$ 3,391</u>	<u>\$ 3,166</u>

**4. Property, Plant and Equipment**

Property, plant and equipment, as of December 31, 2010 and 2009, consisted of the following:

	Range of Useful Lives in Years	2010	2009
Land .....	—	\$ 1,012	\$ 3,079
Buildings and improvements .....	5-25	10,349	24,576
Machinery and equipment.....	3-10	134,903	128,978
Furniture and fixtures .....	2-10	17,602	14,648
Transportation equipment .....	2-10	5,745	5,543
Leasehold improvements .....	3-10	7,498	8,187
Construction in progress .....	—	7,546	8,680
		<u>184,655</u>	<u>193,691</u>
Accumulated depreciation and amortization .....		(128,219)	(123,618)
Property, plant and equipment, net .....		<u>\$ 56,436</u>	<u>\$ 70,073</u>

Machinery and equipment included approximately \$14,189 and \$14,150 of equipment at cost recorded under capital leases as of December 31, 2010 and 2009, respectively, and accumulated depreciation of approximately \$7,470 and \$7,118 at December 31, 2010 and 2009, respectively.

Effective December 17, 2010, the Company sold and leased back six of its manufacturing facilities to Poindexter Properties, LLC, a company owned by Mr. Poindexter (see Note 15).

In 2010 and 2009, the Company capitalized \$512 and \$485, respectively, of interest costs incurred related to constructed assets in progress.

During 2009, the Company decided to consolidate the two Specialty Vehicle Group funeral and limousine manufacturing facilities and combine their production in the Amelia, Ohio plant. As part of the decision to consolidate, the Company sold its specialized transit bus business and related assets, including equipment, inventory and intangible assets on December 31, 2009 for total proceeds of \$1,375, which resulted in a net loss on sale of \$584 recorded in other income on the consolidated financial statements. The allocation of goodwill associated with the bus business accounted for \$550 of the loss.

The Company decided to close and consolidate one of Specialty Manufacturing machining plants into another of its manufacturing facilities, resulting in a write-down of the carrying value of the assets by \$677 in 2008. The Company also combined two of its Truck Accessories manufacturing facilities located in Elkhart, Indiana, resulting in a write-down of the carrying value of the assets by \$111 in 2008.

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Specialty Manufacturing completed the closure of its facility in Fort Smith, Arkansas in 2010 and expenditures related to the closure were \$937.

Depreciation expense was \$14,916, \$15,299 and \$16,064 and included \$1,612, \$1,688 and \$1,725 for assets recorded under capital leases for the years ended December 31, 2010, 2009 and 2008, respectively.

**5. Goodwill, Intangibles and Other Assets**

Goodwill represents the excess of costs over fair value of net assets of businesses acquired. The Company paid a premium over the fair value of net tangible and identifiable intangible assets acquired for reasons such as the profitable expansion of its business, strategic fit, economies of scale and the value of an assembled workforce, among others. Goodwill and intangible assets acquired in a purchase business combination and determined to have an indefinite life are not amortized but instead tested for impairment at least annually.

The Company completed its annual impairment review effective October 1, 2010, 2009 and 2008, which indicated that there was a \$300 impairment in the carrying value of Federal Coach's trade name recognized in 2008. The fair value of our reporting units is based on various valuation methods, including acquisition multiples of earnings and discounted cash flow analysis.

Intangible assets with estimable useful lives are amortized over their respective estimated useful lives and are reviewed for impairment when events indicate their carrying amount may not be recoverable from future undiscounted cash flows.

The Company records impairment losses on long-lived assets used in operations when events and circumstances indicate that the assets may be impaired and the undiscounted cash flows estimated to be generated by those assets are less than the carrying amounts of those assets.

The Company sold its specialized transit bus business on December 31, 2009 and allocated \$550 of goodwill associated with the business sold. Revenues related to the specialized transit bus business were \$9,504 and \$11,337 in 2009 and 2008, respectively, and approximated 2.0% and 1.6% of consolidated revenues in 2009 and 2008, respectively.

At December 31, 2010, goodwill was \$7,408, \$14,884 and \$12,708 for the Morgan, Truck Accessories and Specialty Manufacturing reporting units, respectively.

The changes in the carrying amount of goodwill for the years ended December 31, 2010 and 2009 were:

	<b>Morgan</b>	<b>Truck Accessories</b>	<b>Specialty Manufacturing</b>	<b>Total</b>
Balance, December 31, 2008.....	\$7,408	\$14,884	\$13,258	\$35,550
Changes to goodwill during the year.....	—	—	(550)	(550)
Balance, December 31, 2009.....	7,408	14,884	12,708	35,000
Changes to goodwill during the year.....	—	—	—	—
Balance, December 31, 2010.....	\$7,408	\$14,884	\$12,708	\$35,000

Intangible assets and the related accumulated amortization as of December 31, 2010 and 2009 were:

<b>December 31, 2010:</b>	<b>Cost</b>
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	Useful Lives in Years	Morgan	Truck Accessories	SMG	Total	Accumulated Amortization
Amortizable intangible assets:						
Customer base .....	5-20	\$1,852	\$2,556	\$10,400	\$14,808	\$4,806
Noncompete agreements .....	5	216	—	663	879	771
Supplier relationship .....	10	—	—	3,228	3,228	1,705
Patents.....	2	—	300	—	300	300
		2,068	2,856	14,291	19,215	7,582
Unamortizable intangible assets:						
Trade names.....	—	1,170	616	880	2,666	—
Balance, December 31, 2010		\$3,238	\$3,472	\$15,171	\$21,881	\$7,582

<b>December 31, 2009:</b>		Cost				
	Useful Lives in Years	Morgan	Truck Accessories	SMG	Total	Accumulated Amortization
Amortizable intangible assets:						
Customer base .....	5-20	\$1,760	\$2,556	\$10,430	\$14,746	\$3,605
Noncompete agreements .....	5	216	—	663	879	646
Supplier relationship .....	10	—	—	3,228	3,228	1,374
Patents.....	2	—	300	—	300	300
		1,976	2,856	14,321	19,153	5,925
Unamortizable intangible assets:						
Trade names.....	—	1,112	616	880	2,608	—
Balance, December 31, 2009		\$3,088	\$3,472	\$15,201	\$21,761	\$5,925

The amortization of intangible assets was \$1,635, \$1,700 and \$1,594 for the years ended December 31, 2010, 2009 and 2008, respectively. Estimated amortization expense for each of the subsequent five years ending December 31 is \$1,571 – 2011, \$1,377 – 2012, \$1,073 – 2013, \$1,073 – 2014 and \$997 – 2015.

Other assets as of December 31, 2010 and 2009 consisted of the following:

	Amortization Period in Years	2010		2009	
		Accumulated Amortization	Net Book Value	Accumulated Amortization	Net Book Value
Other Assets:					
Debt issuance costs.....	4-10	\$ 4,637	\$ 1,817	\$ 4,078	\$ 2,376
Insurance cash collateral deposit...	—	—	6,610	—	7,592
Other .....	—	—	3,938	—	2,897
Total.....		\$ 4,637	\$12,365	\$ 4,078	\$12,865

The amortization of debt issuance costs was \$559, \$584 and \$691 for the years ended December 31, 2010, 2009 and 2008, respectively. Estimated amortization of debt issuance costs for each of the subsequent four years ending December 31 is \$559 – 2011, \$559 – 2012, \$559 – 2013 and \$140 – 2014.

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The Company created a trust in favor of its insurance carrier to secure its liabilities under its self-insured, casualty insurance program including workers' compensation insurance. The liabilities were previously secured by an irrevocable standby letter of credit that was canceled upon the initial deposit of \$5,520 into the trust. For the year ended December 31, 2010 the trust was reduced by \$982 due to a decreased claims experience rate. For the year ended 2009, the Company contributed an additional \$315 to the trust.

**6. Floor Plan Notes Payable**

The Company had floor plan financing agreements with Ford Motor Credit Company for financing part of its chassis inventory at Federal Coach and Eagle Coach. Floor plan notes payable reflect the monetary value of the chassis that are in the Company's possession as of December 31, 2010 and 2009. These obligations are reflected on the accompanying balance sheet as accounts payable, a current liability.

The total amount financed under these agreements was \$274 and \$791 as of December 31, 2010 and 2009, respectively. These borrowings bear interest at the prime rate plus 150 basis points on balances outstanding over 90 days. As of December 31, 2010 and 2009, the weighted average interest rate on all outstanding floor plan notes payable was 0.3% and 0.2%, respectively. The average interest rate for 2010 and 2009 on the liabilities that bear interest was 8.3% and 6.8%, respectively.

**7. Revolving Credit Facility**

On March 15, 2004, concurrently with the 8.75% Notes offering discussed in Note 8, the Company entered into a revolving credit agreement (the "Revolving Credit Facility") that expired March 15, 2008. The Revolving Credit Facility automatically renewed for a 12-month period after March 15 of each year until December 13, 2010 at which time the agreement was amended and extended until March 14, 2012. The annual automatic renewal feature was not incorporated into the new agreement.

The Revolving Credit Facility currently provides for borrowings by the Company of up to \$50,000. The Revolving Credit Facility allows the Company to borrow funds up to the lesser of \$50,000 or an amount based on the sum of: 1) advance rates applied to the total amounts of eligible accounts receivable and inventories of the subsidiaries and 2) up to \$20,000 collateralized by the fixed assets of the Company. The advance rates are 85% for eligible accounts receivable and 60% for eligible inventory, as defined. Borrowings against inventory may not exceed \$20,000. The Company is entitled to borrow up to an additional \$20,000 against fixed assets not to exceed the maximum amount of credit under the facility. The Revolving Credit Facility includes a sub-facility for up to \$15,000 of letters of credit.

The Revolving Credit Facility provides for borrowing at variable rates of interest, based on either LIBOR (London Interbank Offered Rate, which was .455% at December 31, 2010) plus a margin of 1.75% or the bank's base rate (the greater of the Federal Funds Rate plus 0.5% or its prime rate, which was 3.25% at December 31, 2010). Interest is payable monthly including a fee of 0.5% on the portion of the \$50,000 total commitment that remains unused during the period.

The Revolving Credit Facility contains provisions allowing the lender to accelerate the repayment of debt upon the occurrence of an event the lender determines to represent a material adverse change. The Revolving Credit Facility also contains restrictive covenants, which, among other things, restrict the use of proceeds from the sale of assets, the ability of the Company to incur additional debt or pay dividends, and certain other corporate activities. In addition, the Company is subject to a financial covenant requiring it to maintain a minimum fixed charge coverage ratio, as defined, of 1.0 to 1.0 should availability fall below \$10,000. At December 31, 2010, the Company was in compliance with all

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covenants of the Revolving Credit Facility. In the event that the Company's borrowing availability is below \$20,000, the Company's cash balances will become restricted.

At December 31, 2010 and 2009, the Company had no borrowings, and \$1,358 in standby letters of credit (see Note 14) at December 31, 2010, and had unused gross borrowing availability of \$48,615 at December 31, 2010.

**8. Long-Term Debt and 8.75% Notes Offering**

Long-term debt as of December 31, 2010 and 2009 consisted of:

	<b>2010</b>	<b>2009</b>
8.75% Notes due 2014, plus unamortized premium of \$0.8 million at December 31, 2010.....	\$199,598	\$199,839
Obligations under capital leases.....	3,895	5,355
Total long-term debt.....	203,493	205,194
Less current portion.....	2,260	2,259
Long-term debt, less current portion.....	<u>\$201,233</u>	<u>\$202,935</u>

On March 15, 2004, the Company completed a note offering of \$125,000, 8.75% Notes due in 2014 (the "8.75% Notes") with interest payable semiannually. On May 17, 2004 and January 21, 2005, the Company completed offers to sell an additional \$30,000 and \$45,000, respectively, of the 8.75% Notes. The additional \$30,000 of 8.75% Notes were issued at par and the \$45,000 of 8.75% Notes were issued at a 5% premium. The additional 8.75% Notes were issued on the same terms as the original issue. Net proceeds from the additional offerings of approximately \$46,400 increased the Company's cash and short-term investments. The 8.75% Notes mature on March 15, 2014 and bear interest at an annual rate of 8.75% payable each September 15 and March 15 to the holders of record on September 1 and March 1 immediately preceding the interest payment date. On May 11, 2005, the Company completed an offer to exchange ("2005 Exchange Offer") \$200 million principal amount of its 8.75% Notes which had been registered under the Securities Act for any and all of its outstanding unregistered 8.75% Notes.

The 8.75% Notes are subordinated to borrowings under the Revolving Credit Facility (see Note 7) and other secured indebtedness to the extent of the assets securing the debt. Also, the Company's obligations under the 8.75% Notes are guaranteed by each wholly owned subsidiary of the Company (the "Subsidiary Guarantors"). Each guarantee is a senior unsecured obligation of the Subsidiary providing such Guarantee. All the assets of the Company and its subsidiaries are encumbered under the guarantee arrangement related to the 8.75% Notes. Relevant groupings of individual assets of the guarantors, including the corporate level assets, and pertinent individual operating information related to guarantor operations is included in the disclosure of the segment information included in Note 2 of the Consolidated Financial Statements. The Subsidiary Guarantors are also borrowers under the Revolving Credit Facility (see Note 7).

The Company has the option to redeem the 8.75% Notes at any time on or after March 15, 2010, at a defined premium plus accrued and unpaid interest to the date of redemption. On February 5 and February 9, 2009, the Company purchased \$150 and \$250, respectively, of the 8.75% Notes on the open market, resulting in a gain of \$186.

The 8.75% Notes' Indenture includes covenants that limit the ability of the Company to: incur additional debt, including sale and leaseback transactions; pay dividends or distributions on its capital stock or repurchase capital stock; issue stock of subsidiaries; make certain investments; create liens on its assets to

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secure debt; enter into transactions with affiliates; merge or consolidate with another company; and transfer and sell assets. The Indenture contains a covenant to limit the incurrence of additional indebtedness as measured by its Consolidated Coverage Ratio, as defined. The Company and its subsidiaries are prohibited from incurring additional indebtedness when the Consolidated Coverage ratio is below 2.0 to 1.0. The Indenture permits certain exceptions with respect to capitalized lease obligations and other arrangements that are incurred for the purpose of financing all or part of the purchase price or cost of construction or improvements of property used in the business of the Company or its subsidiaries. Already existing obligations and any amounts available to be drawn under the Company's existing revolving credit agreement are not subject to this limitation. At December 31, 2010, the Company's consolidated coverage ratio was approximately 1.9 to 1.00, which is below the level at which the Indenture would permit additional debt to be incurred. Therefore, until the ratio improves to 2.0 to 1.0, the Company is prohibited from incurring additional or new indebtedness, except as permitted in the Indenture. At December 31, 2010, the Company had \$50.0 million of current availability under the Company's existing revolving credit agreement.

The Company, using level 1 inputs, estimates the fair value of the 8.75% Notes at December 31, 2010 and 2009 was approximately \$199,300 and \$168,000, respectively, based on their market values at those dates compared to a recorded amounts of \$199,598 and \$199,839 at December 31, 2010 and 2009, respectively.

The Company's obligation under capital leases is due in varying maturity dates through 2014. The capital leases are collateralized by certain equipment with a net book value of approximately \$6,719 and \$7,031 at December 31, 2010 and 2009, respectively.

**Maturities.** Aggregate principal payments on long-term debt based on scheduled maturities for the next four years as of December 31, 2010 are as follows:

2011 .....	\$ 2,260
2012 .....	1,471
2013 .....	594
2014 .....	199,168
	\$ 203,493

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**9. Operating Leases**

The Company leases certain manufacturing facilities and equipment under noncancelable operating leases certain of which contain renewal options. The future minimum lease payments subsequent to December 31, 2010 are as follows:

2011 .....	\$ 9,187
2012 .....	7,278
2013 .....	4,661
2014 .....	3,719
2015 .....	2,907
2016 and thereafter.....	<u>22,546</u>
Total minimum lease payments.....	<u>\$50,298</u>

Total rental expense included in continuing operations under all operating leases was approximately \$9,587 \$10,042 and \$9,711 for the years ended December 31, 2010, 2009 and 2008, respectively.

**10. Supplemental Cash Flow Information**

The supplemental cash flow information for the years ended December 31, 2010, 2009 and 2008 was as follows:

	2010	2009	2008
Cash paid for interest.....	\$18,364	\$18,187	\$18,371
Cash paid (refunded) for income taxes, net of foreign refunds.....	1,419	(2,037)	508
Noncash investing and financing activities:			
Capital lease obligations for machinery and equipment.....	722	1,219	438

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**11. Income Taxes**

The income tax provision (benefit) consists of the following for the years ended December 31, 2010, 2009 and 2008:

	2010	2009	2008
Current:			
Federal .....	\$ (1,065)	\$ (4,497)	\$ 1,478
State .....	(314)	564	1,162
Foreign.....	(784)	19	(866)
	<u>(2,163)</u>	<u>(3,914)</u>	<u>1,774</u>
Deferred:			
Federal .....	378	1,732	1,733
State .....	323	(28)	411
Foreign.....	-	-	892
	<u>701</u>	<u>1,704</u>	<u>3,036</u>
Income tax provision (benefit).....	<u>\$ (1,462)</u>	<u>\$ (2,210)</u>	<u>\$ 4,810</u>

The following table reconciles the differences between the federal statutory income tax rate and the effective tax rate for the years ended December 31, 2010, 2009 and 2008:

	2010		2009		2008	
	Amount	%	Amount	%	Amount	%
Tax provision at federal statutory income tax rate .....	\$ (1,187)	34%	\$ (2,415)	34%	\$ 3,944	34%
Net impact of change in valuation allowance .....	151	(4)	(169)	2	(304)	(2)
Nondeductible expenses .....	94	(3)	107	(2)	127	1
State income taxes, net of federal income tax benefit.....	6	-	599	(8)	1,440	12
Uncertain tax positions related to prior years.....	(875)	25	(343)	5	(211)	(2)
Uncertain tax positions related to current year.....	208	(6)	93	(1)	111	1
Foreign income taxes, at rate different than federal rate.....	151	(4)	(47)	1	(93)	(1)
Other .....	(10)	-	(34)	-	(204)	(2)
Provision (benefit) for income taxes and effective tax rates .....	<u>\$ (1,462)</u>	<u>42%</u>	<u>\$ (2,210)</u>	<u>31%</u>	<u>\$ 4,810</u>	<u>41%</u>

The domestic and foreign components of income (loss) before income taxes were:

	2010	2009	2008
Domestic .....	\$ (1,810)	\$ (7,758)	\$ 14,195
Foreign .....	(1,682)	652	(2,595)
Total .....	<u>\$ (3,492)</u>	<u>\$ (7,106)</u>	<u>\$ 11,600</u>

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Deferred income taxes are based on the estimated future tax effects of differences between the financial statements and tax basis of assets and liabilities given the provisions of the enacted tax laws. The net deferred tax assets and liabilities as of December 31, 2010 and 2009 were:

	2010	2009
<b>Current deferred tax asset:</b>		
Allowance for doubtful accounts .....	\$ 36	\$ 187
Employee benefit accruals and reserves .....	206	473
Uncertain state tax positions tax benefit .....	235	509
Other .....	(14)	199
Total current deferred tax asset .....	<u>463</u>	<u>1,368</u>
<b>Long-term deferred tax asset:</b>		
Tax credit and state operating loss carryforwards .....	5,930	5,960
Warranty liabilities .....	1,318	1,254
Other .....	1,610	2,449
Valuation allowance .....	(3,535)	(3,384)
Total long-term deferred tax asset.....	<u>\$ 5,323</u>	<u>\$ 6,279</u>
<b>Long-term deferred tax liabilities:</b>		
Depreciation and amortization .....	(8,234)	(9,394)
Other .....	(703)	(703)
Total long-term deferred tax liability.....	<u>(8,937)</u>	<u>(10,097)</u>
Net long-term deferred tax liability.....	<u>(3,614)</u>	<u>(3,818)</u>
Net deferred tax liability .....	<u>\$ (3,151)</u>	<u>\$ (2,450)</u>

The Company had alternative minimum tax credit carryforward deferred tax assets of approximately \$800 at December 31, 2010 and 2009 for U.S. federal income tax purposes, which may be carried forward indefinitely.

During 2010, the Company generated federal net operating losses of approximately \$2,884 and had recognized a current income tax refund receivable at December 31, 2010 related to the carryback of these losses. Additionally, at December 31, 2010 and 2009, the Company had state tax net operating loss carryforwards of approximately \$64,000 and \$67,000, respectively, and recognized a deferred tax asset of approximately \$3,400 and \$3,700, respectively. The state net operating loss carryforwards expire at varying dates ranging from 1 to 20 years. At December 31, 2010 and 2009, the Company had recorded a valuation allowance of approximately \$2,100 against this deferred tax asset as it was uncertain as to whether it would be realized. The Company had foreign net operating losses of approximately \$5,800 and \$4,100 as of December 31, 2010 and 2009, respectively, and recognized a deferred tax asset of approximately \$1,400 and \$1,300, respectively. At December 31, 2010 and 2009, the Company recorded a valuation allowance of approximately \$1,400 and \$1,300, respectively, against this deferred tax asset as it was uncertain as to whether it would be realized. Foreign net operating losses will be carried forward for up to 20 years, with a significant majority being greater than 10 years.

As of December 31, 2010 and December 31, 2009, the Company had \$880 and \$1,821, respectively, of tax liabilities related to uncertain income tax liabilities, or \$645 and \$1,312, respectively, net of a federal tax benefit of \$235 and \$509, respectively. The Company recognizes interest and penalties related to unrecognized tax benefits in income tax expense. The tax liability includes \$435 and \$511 of interest and penalties at December 31, 2010 and 2009, respectively. If these uncertain tax positions are favorably

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resolved, \$645 would reduce our income tax provision in future periods. A reconciliation of the beginning and ending unrecognized tax liability is as follows:

	<b>Liability for Unrecognized Tax Benefits</b>
Balance at January 1, 2008 .....	\$ 2,940
Releases related to prior years due to expiration of statutes, net of additions based on tax positions related to prior years.....	(311)
Additions based on tax positions related to current year .....	173
Balance at December 31, 2008 .....	2,802
Releases related to prior years due to expiration of statutes, including settlements related to prior years.....	(1,123)
Additions based on tax positions related to current year .....	142
Balance at December 31, 2009 .....	1,821
Releases related to prior years due to expiration of statutes, net of additions based on tax positions related to prior years.....	(1,192)
Additions based on tax positions related to current year .....	251
Balance at December 31, 2010 .....	\$ 880

We are subject to U.S. federal income tax as well as income tax in foreign and multiple state jurisdictions. We have substantially concluded all U.S. federal income tax matters for years through 2005. Substantially all material foreign, state and local income tax matters have been concluded for fiscal years through 2006. Currently, we are under audit by the Internal Revenue Service for tax year 2006. The Company has provided for any known potential exposures for this examination and years after 2006 and does not expect the total amount of unrecognized tax benefits to significantly change in the next twelve months.

**12. Common Stock**

As of December 31, 2010 and 2009, there were 100,000 shares authorized and 3,059 shares issued and outstanding of JBPCO common stock with a par value of \$.01 per share. JBPCO was incorporated in Delaware. No other classes of common stock, preferred stock or common stock equivalents exist.

**13. Employee Benefit Plans**

*Employee Incentive Plans.* The Company has an Annual Management Incentive Plan for executives at the parent company and at each of the business units to provide for the earning of annual bonuses based upon the attainment of performance-based goals. Eligible participants are entitled to receive a bonus if the business unit (or the Company) attains at least 80% of the operating income target. Individual bonuses are then allocated among the eligible employees based upon their individual achievement of stated performance objectives including working capital performance objectives. The Company incurred expenses related to this plan totaling \$2,544, \$2,444 and \$3,877 for the years ended December 31, 2010, 2009 and 2008, respectively.

The Company has a Long-Term Performance Plan (“LTPP”) designed to align the interests and the Company’s long-term financial performance goals with the most senior executives in the Company. Each element of the LTPP has a three-year duration and awards are paid only at the end of the three-year cycle, depending upon performance versus established budgeted financial goals. The Company incurred

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expenses related to this plan totaling \$476, \$349 and \$733 for the years ended December 31, 2010, 2009 and 2008, respectively.

*JBPCO 401(k) Defined Contribution Plan.* The JBPCO-sponsored 401(k) savings plan allows participating employees to contribute through salary deductions up to 100% of gross compensation and provides for Company matching contributions up to 1% of the first 5% as well as the opportunity for an annual discretionary contribution. The Company has not made discretionary contributions. Vesting in the Company matching contribution is 20% per year over the first five years. The Company incurred related employer matching contribution and administrative expenses of \$480, \$632 and \$1,702 during the years ended December 31, 2010, 2009 and 2008, respectively.

#### **14. Commitments and Contingencies**

*Claims and Lawsuits.* The Company is involved in certain claims and lawsuits arising in the normal course of business. In the opinion of management, the ultimate resolution of these matters will not have a material adverse effect on the financial position or results of operations and cash flows of the Company.

*Letters of Credit and Other Commitments.* The Company had \$1,358 in standby letters of credit outstanding at December 31, 2010, primarily securing the Company's chassis bailment pool programs. The letters of credit were reduced to \$59 as of January 2011. The Company holds funds in a trust for the benefit of its casualty insurance carrier of \$6,420 to secure the Company's insurance programs. Income from the trust accrues to the Company.

The Company has a five-year agreement that expires October 1, 2014 with a key supplier, whereby it exclusively purchases inventory from this supplier in return for favorable pricing. The Company estimates that it will purchase approximately \$5.2 million from this supplier in 2011.

*Consigned Chassis Inventories.* The Company obtains vehicle chassis for certain units produced at Morgan directly from the chassis manufacturer under a bailment pool agreement with General Motors Acceptance Corporation. Chassis are obtained directly from the manufacturer based on orders from customers, which are typically manufacturer dealers. The agreement generally provides that the Company is restricted to producing certain conversions or up-fittings on these chassis. The manufacturer does not transfer the certificate of origin to the Company and, accordingly, the Company accounts for the chassis as consigned inventory belonging to the manufacturer. Under these agreements, if the chassis is not delivered to a customer within a specified timeframe, the Company is required to pay a finance charge based on the value of the chassis. The finance charges incurred on consigned chassis inventories included in interest expense in the consolidated statements of income totaled \$69, \$177 and \$215 for the years ended December 31, 2010, 2009 and 2008, respectively. Total consigned chassis inventory was \$158 and \$930 at December 31, 2010 and 2009, respectively.

*Environmental Matters.* The Company's operations are subject to a variety of federal, state and local environmental and health and safety statutes and regulations, including those relating to emissions to the air, discharges to water, treatment, storage and disposal of waste, and remediation of contaminated sites. In certain cases, these requirements may limit the productive capacity of its operations. Certain laws, including the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, impose strict and, under certain circumstances, joint and several liability for costs to remediate contaminated sites upon designated responsible parties including site owners or operators and persons who dispose of wastes at, or transport wastes to, such sites. Some of the Company's operations also require permits concerning, without limitation, water quality and air quality, which may restrict its activities and which are subject to renewal, modification or revocation by issuing authorities. In addition,

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the Company generates hazardous wastes, which are also subject to regulation under applicable environmental laws.

The Clean Water Act imposes strict controls on the discharge of pollutants into the navigable waters of the United States. The Clean Water Act also provides for civil, criminal and administrative penalties for any unauthorized discharge of hazardous substances in reportable quantities and imposes liability for the costs of removal and remediation of an unauthorized discharge. Many states have laws that are analogous to the Clean Water Act and also require remediation of accidental releases in reportable quantities. Both the Clean Water Act and many related state statutes and regulations require permit authorizations for certain operations. We hold all of the required permits pertaining to our operations under the Clean Water Act and its state counterparts.

The Clean Water Act imposes strict controls on the discharge of pollutants into the navigable waters of the United States. The Clean Water Act also provides for civil, criminal and administrative penalties for any unauthorized discharge of hazardous substances in reportable quantities and imposes liability for the costs of removal and remediation of an unauthorized discharge. Many states have laws that are analogous to the Clean Water Act and also require remediation of accidental releases in reportable quantities. Both the Clean Water Act and many related state statutes and regulations require permit authorizations for certain operations. We hold all of the required permits pertaining to our operations under the Clean Water Act and its state counterparts.

The Clean Air Act limits the ambient air discharge of certain materials deemed to be hazardous and establishes a federal air quality permitting program for such discharges. Many states have laws and programs that are analogous to the Clean Air Act. We hold and maintain all of the required air quality permits applicable to our operations. In addition, the EPA has promulgated, under the Clean Air Act, emissions standards for heavy-duty vehicles that may increase the cost of heavy-duty trucks manufactured after 2010. These standards may negatively impact the market for new heavy-duty trucks, which may negatively impact the market for our products.

On December 15, 2009, the EPA officially published its “Endangerment Finding,” an official finding that emissions of carbon dioxide, methane and other greenhouse gases (GHGs) present an endangerment to human health and the environment because emissions of such gases are, according to the EPA, contributing to warming of the Earth’s atmosphere and other climatic changes. The Endangerment Finding allows the agency to proceed with the adoption and implementation of regulations that would restrict emissions of GHGs under existing provisions of the CAA. The Agency has proceeded to promulgate and implement regulations concerning this Finding, including the Light Duty Vehicle Rule, which sets more stringent emissions standards for vehicles, and the Tailoring Rule, which requires new and modified large emitting sources of greenhouse gases to use the Best Available Control Technology to reduce greenhouse gas emissions. These rules could negatively impact the market for our products because of either increased fuel costs due to carbon regulations or increased engine manufacturing costs. Moreover, lawsuits have been filed seeking to require individual companies to reduce GHG emissions from their operations. These and other lawsuits relating to GHG emissions may result in decisions by state and federal courts and agencies that could impact our operations.

The Resource Conservation and Recovery Act regulates the generation, transportation, storage, treatment and disposal of hazardous and nonhazardous wastes and requires states to develop programs to ensure the safe disposal of wastes. We believe that all of the wastes that we generate are handled in all material respects in compliance with the Resource Conservation and Recovery Act and analogous state statutes and regulations.

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From time to time, the Company has received notices of noncompliance with respect to its operations, which typically have been resolved by investigating the alleged noncompliance, correcting any noncompliant conditions and paying fines, none of which individually or in the aggregate has had a material adverse effect on the Company. The Company cannot ensure that it has been or will be at all times in compliance with all of these requirements, including those related to reporting or permit restrictions, or that it will not incur material fines, penalties, costs or liabilities in connection with such requirements or a failure to comply with them. Additionally, the Company expects that the nature of its operations will continue to make it subject to increasingly stringent environmental regulatory standards. Although the Company believes it has made sufficient capital expenditures to maintain compliance with existing laws and regulations, future expenditures may be necessary as compliance standards and technology change or as unanticipated circumstances arise. Unforeseen and significant expenditures required to comply with new or more aggressively enforced requirements or newly discovered conditions could limit expansion or otherwise have a material adverse effect on the Company's business and financial condition.

**15. Related-Party Transactions**

The Company is party to a Management Services Agreement with Southwestern Holdings, Inc. ("Southwestern"), a corporation owned by Mr. Poindexter. The services agreement was suspended effective June 30, 2006 when Mr. Poindexter became an employee of the Company and reinstated effective July 31, 2008 when Mr. Poindexter ceased being an employee of the Company. Pursuant to the Management Services Agreement, Southwestern provides services to the Company, including those of Mr. Poindexter. The Company pays Southwestern a base fee of approximately \$45 per month for these services, subject to annual automatic increases based upon the consumer price index. The Company paid Southwestern \$534, \$534 and \$223 during 2010, 2009 and 2008, respectively, for all these services.

Southwestern was a named insured under the Company's general liability and excess umbrella insurance policies during 2007 when Southwestern became the defendant in a suit for damages resulting from a vehicle accident not involving the Company's assets or any of its employees. The lawsuit was settled during 2008 and Southwestern paid the amount of the self-insured reserve of \$250. Southwestern is no longer a named insured under the Company's general liability policy effective July 1, 2007. Any increased premiums under the Company's umbrella policy incurred in the future by the Company by reason of the settlement will be reimbursed by Southwestern.

Effective December 12, 2008, Morgan sold and leased back three of its manufacturing facilities to Poindexter Properties, LLC, a company owned by Mr. Poindexter. The properties, located in Morgantown and Ephrata, Pennsylvania and Corsicana, Texas, were sold at their appraised value of \$7,135. Morgan recorded a gain on the sale of \$1,854 that has been deferred and included in other current and noncurrent liabilities in the accompanying consolidated balance sheet and will be recognized as income over the term of the leases with \$265 recognized as income in 2010 and 2009. Effective December 17, 2010, the lease terms were amended and the terms extended through December 2010 and 2025. The monthly payments total \$62 through December 2025 and are included in the future lease commitments as disclosed in Note 9 of the Notes to Consolidated Financial Statements. Morgan paid rent of \$923, \$932 and \$51 for the use of the properties for the years ended December 31, 2010, 2009 and 2008, respectively.

Effective December 17, 2010, the Company sold and leased back six of its manufacturing facilities to Poindexter Properties, LLC. The properties, located in Sturgis, Michigan, Brenham, Texas, Elkhart, Indiana and Ehrenberg, Arizona, were sold at their appraised value of \$14,975. Three of the six properties included in the transaction were sold for an aggregated loss of \$2.8 million as the sale prices, based on appraised values, were less than the book values of the assets. The loss was recognized at the time of the transaction. The remaining three properties were sold for an aggregated gain of \$3.6 million. The gain of

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\$3.6 million has been deferred and will be recognized as income over the life of the leases. The lease arrangement requires monthly total payments of \$118 over the 15-year term ending in December 2025. The arrangement is accounted for as an operating lease and included in the Company's future lease commitments as disclosed in Note 9 of the Notes to Consolidated Financial Statements.

**16. Selected Quarterly Information (Unaudited)**

The Company's accounting records are maintained on the basis of four 13-week quarters. Shown below are the selected unaudited quarterly data.

	March 31, 2010	June 30, 2010	September 30, 2010	December 31, 2010
Revenues.....	\$133,344	\$161,985	\$134,979	\$123,253
Cost of revenue.....	117,604	136,824	115,102	112,358
Gross profit.....	15,740	25,161	19,877	10,895
Selling and administrative expenses.....	13,947	14,409	13,791	11,552
Closed and excess facility costs.....	—	782	45	124
Loss on sale lease-back of real estate.....	—	—	—	2,555
Gain on redemption of 8.75% Notes.....	—	—	—	—
Other expense (income).....	(16)	(114)	(72)	307
Operating income.....	1,809	10,084	6,113	(3,643)
Interest expense, net.....	4,406	4,481	4,408	4,560
Income tax provision (benefit).....	(982)	2,231	749	(3,460)
Net Income (loss).....	\$ (1,615)	\$ 3,372	\$ 956	\$ (4,743)
Depreciation and amortization.....	\$ 4,090	\$ 4,028	\$ 4,187	\$ 4,246
Amortization of debt issuance costs.....	\$ 140	\$ 140	\$ 139	\$ 140

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	March 31, 2009	June 30, 2009	September 30, 2009	December 31, 2009
Revenues.....	\$139,671	\$122,671	\$108,767	\$109,538
Cost of revenue.....	120,902	107,270	95,277	96,697
Gross profit.....	18,769	15,401	13,490	12,841
Selling and administrative expenses.....	14,376	11,886	11,433	11,266
Closed and excess facility costs.....	—	642	—	—
Gain on redemption of 8.75% Notes.....	(186)	—	—	—
Other expense (income).....	(95)	—	(204)	523
Operating income.....	4,674	2,873	2,261	1,052
Interest expense, net.....	4,455	4,686	4,405	4,420
Income tax provision (benefit).....	334	(1,399)	155	(1,300)
Net income (loss).....	\$ (115)	\$ (414)	\$ (2,299)	\$ (2,068)
Depreciation and amortization.....	\$ 4,342	\$ 4,570	\$ 4,190	\$ 3,896
Amortization of debt issuance costs	\$ 164	\$ 140	\$ 140	\$ 140

**17. Restatement**

The Company restated its Consolidated Statement of Cash Flows for the year ended December 31, 2010. The restatement increased depreciation and amortization expense with a corresponding reduction in “other” operating cash flows as follows:

Cash Flows from Operations:	As Originally Reported	As Restated	Difference
Depreciation and amortization.....	\$ 15,278	\$ 16,551	\$ 1,273
Other.....	854	(419)	(1,273)

Additionally, certain footnote disclosures relating to depreciation expense and depreciation and amortization expense have been restated.

## **Item 9A. Controls and Procedures**

### **Management's Conclusions Regarding Effectiveness of Disclosure Controls and Procedures**

As of December 31, 2010, the Company conducted an evaluation, under the supervision and participation of management including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures as defined in Rule 13a-15(e) of the Securities Exchange Act of 1934. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective.

### **Changes in Internal Control Over Financial Reporting**

There have been no changes in our internal control over financial reporting that occurred during the year ended December 31, 2010 that have materially affected, or are likely to materially affect, our internal controls over financial reporting.

### **Management's Report on Internal Control Over Financial Reporting**

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) of the Securities Exchange Act of 1934. Internal control over financial reporting provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

The Company's internal control over financial reporting includes policies and procedures that: pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and disposition of the Company's assets; provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that the Company's receipts and expenditures are being made only in accordance with authorizations of management; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management of the Company has assessed the effectiveness of the Company's internal control over financial reporting based on criteria established in the Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Management's assessment included an evaluation of the design of the Company's internal control over financial reporting, and testing of operational effectiveness of the Company's internal control over financial reporting. Based on this assessment, management identified the following material weakness in the Company's internal controls.

Management determined that it was necessary to amend its 2010 Annual Report on Form 10-K as a result of an error detected in the determination of depreciation reported in its Consolidated Statement of Cash Flows. Management concluded that the error was the result of a lack of adequate oversight in the preparation of its financial statements and has taken initial steps to improve oversight in this area by hiring additional qualified accounting personnel. Management expects that as these individuals become familiar with their roles and responsibilities, the internal control issue will be fully remediated.

This annual report does not include an attestation report of the Company's independent registered public accounting firm regarding internal control over financial reporting. Management's report is not subject to attestation by the Company's independent registered public accounting firm pursuant to rules of the

Securities and Exchange Commission that permit the Company to provide only management's report in the annual report.

## PART IV

### Item 15. Exhibits, Financial Statement Schedules.

- (a) (1) and (2) Financial Statements and Financial Statement Schedules

See “Index to Consolidated Financial Statements” on page F-1.

- (a) (3) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
3.1 <sup>(1)</sup>	Second Restated Certificate of Incorporation of J.B. Poindexter & Co., Inc. dated January 21, 1994.
3.2 <sup>(2)</sup>	Certificate of First Amendment to the Second Restated Certificate of Incorporation of J.B. Poindexter & Co., Inc. dated December 29, 1994.
3.3 <sup>(2)</sup>	Amended and Restated Bylaws of J.B. Poindexter & Co., Inc. dated July 29, 1994.
4.1 <sup>(4)</sup>	Indenture dated as of March 15, 2004, with respect to J.B. Poindexter & Co., Inc.’s 8.75% Senior Notes due 2014, among J.B. Poindexter & Co., Inc., the subsidiary guarantors named therein and Wilmington Trust Company, as trustee.
4.2 <sup>(5)</sup>	Form of 8.75% Senior Notes due 2014.
4.3 <sup>(5)</sup>	Form of Senior Note Guarantee of 8.75% Senior Notes due 2014.
4.4 <sup>(5)</sup>	First Supplemental Indenture dated December 14, 2004, to the Indenture dated as of March 15, 2004, with respect to J.B. Poindexter & Co., Inc.’s 8.75% Senior Notes due 2014, among J.B. Poindexter & Co., Inc., the subsidiary guarantors named therein and Wilmington Trust Company, as trustee.
4.5 <sup>(4)</sup>	Registration Rights Agreement dated March 15, 2004, among J.B. Poindexter & Co., Inc., certain guarantors listed therein, J.P. Morgan Securities Inc. and certain initial purchasers listed therein.
4.6 <sup>(5)</sup>	Registration Rights Agreement dated May 17, 2004, among J.B. Poindexter & Co., Inc., certain guarantors listed therein and J.P. Morgan Securities Inc.
4.7 <sup>(5)</sup>	Registration Rights Agreement dated January 27, 2005, among J.B. Poindexter & Co., Inc., certain guarantors listed therein and J.P. Morgan Securities Inc.
4.8 <sup>(7)</sup>	Second Supplemental Indenture dated June 10, 2005, to the Indenture dated as of March 15, 2004, with respect to J.B. Poindexter & Co., Inc.’s 8.75% Senior Notes due 2014, among J.B. Poindexter & Co., Inc., the subsidiary guarantors named therein and Wilmington Trust Company, as trustee.
4.9 <sup>(8)</sup>	Third Supplemental Indenture dated January 9, 2006, to the Indenture dated as of March 15, 2004, with respect to J.B. Poindexter & Co., Inc.’s 8.75% Senior Notes due 2014, among J.B. Poindexter & Co., Inc., the subsidiary guarantors named therein and Wilmington

Trust Company, as trustee.

- 4.10<sup>(8)</sup> Fourth Supplemental Indenture dated April 17, 2006, to the Indenture dated as of March 15, 2004, with respect to J.B. Poindexter & Co., Inc.'s 8.75% Senior Notes due 2014, among J.B. Poindexter & Co., Inc., the subsidiary guarantors named therein and Wilmington Trust Company, as trustee.
- 4.11<sup>(9)</sup> Fifth Supplemental Indenture dated September 30, 2006, to the Indenture dated as of March 15, 2004, with respect to J.B. Poindexter & Co., Inc.'s 8.75% Senior Notes due 2014, among J.B. Poindexter & Co., Inc., the subsidiary guarantors named therein and Wilmington Trust Company, as trustee.
- 4.12<sup>(10)</sup> Sixth Supplemental Indenture dated September 4, 2007, to the Indenture dated as of March 15, 2004, with respect to J.B. Poindexter & Co., Inc.'s 8.75% Senior Notes due 2014, among J.B. Poindexter & Co., Inc., the subsidiary guarantors named therein and Wilmington Trust Company, as trustee.
- 4.13<sup>(11)</sup> Seventh Supplemental Indenture dated December 31, 2008, to the Indenture dated as of March 15, 2004, with respect to J.B. Poindexter & Co., Inc.'s 8.75% Senior Notes due 2014, among J.B. Poindexter & Co., Inc., the subsidiary guarantors named therein and Wilmington Trust Company, as trustee.
- 10.1<sup>(4)</sup> Loan and Security Agreement dated March 15, 2004, among J.B. Poindexter & Co., Inc., certain subsidiaries thereof, certain other loan parties signatories thereto and LaSalle Bank National Association, a national banking association, for itself, as a lender, and as the agent for the lenders.
- 10.2<sup>(4)</sup> First Amendment to Loan and Security Agreement dated May 13, 2004, among J.B. Poindexter & Co., Inc., certain subsidiaries thereof, certain other loan parties signatories thereto and LaSalle Bank National Association, a national banking association, for itself, as a lender, and as the agent for the lenders.
- 10.3<sup>(5)</sup> Limited Consent and Second Amendment to Loan and Security Agreement dated November 3, 2004, among J.B. Poindexter & Co., Inc., certain subsidiaries thereof, certain other loan parties signatories thereto and LaSalle Bank National Association, a national banking association, for itself, as a lender, and as the agent for the lenders.
- 10.4<sup>(5)</sup> Third Amendment to Loan and Security Agreement dated January 20, 2005, among J.B. Poindexter & Co., Inc., certain subsidiaries thereof, certain other loan parties signatories thereto and LaSalle Bank National Association, a national banking association, for itself, as a lender, and as the agent for the lenders.
- 10.5<sup>(4)</sup> Sales Agreement dated October 1, 2004 between E. I. du Pont de Nemours and Company and Morgan Trailer Mfg. Co.
- 10.6<sup>(4)</sup> Sales Agreement dated October 1, 2004 between E. I. du Pont de Nemours and Company and Truck Accessories Group, Inc.
- 10.7<sup>(1)</sup> Form of Incentive Plan for certain employees of the subsidiaries of J.B. Poindexter & Co., Inc.
- 10.8<sup>\*\*</sup> Form of Long Term Performance Plan

- 10.9<sup>(5)</sup> Management Services Agreement dated as of May 23, 1994, between J.B. Poindexter & Co., Inc. and Southwestern Holdings, Inc.
- 10.10<sup>(3)</sup> Management Services Agreement effective as of December 19, 2003, between J.B. Poindexter & Co., Inc., Morgan Trailer Mfg. Co., and Morgan Olson.
- 10.11<sup>(6)</sup> Fourth Amendment to Loan and Security Agreement dated April 25, 2005, among J.B. Poindexter & Co., Inc., certain subsidiaries thereof, certain other loan parties signatories thereto and LaSalle Bank National Association, a national banking association, for itself, as a lender, and as the agent for the lenders.
- 10.12<sup>(9)</sup> Limited Consent, Joinder and Fourth Omnibus Amendment dated October 10, 2006, among J.B. Poindexter & Co., Inc., certain subsidiaries thereof, certain other loan parties signatories thereto and LaSalle Bank National Association, a national banking association, for itself, as a lender, and as the agent for the lenders.
- 10.13<sup>(10)</sup> ; Limited Consent, Joinder and Fifth Omnibus Amendment dated April 30, 2007, among J.B. Poindexter & Co., Inc., certain subsidiaries thereof, certain other loan parties signatories thereto and LaSalle Bank National Association, a national banking association, for itself, as a lender, and as the agent for the lenders.
- 10.14<sup>(10)</sup> Limited Consent, Joinder and Sixth Omnibus Amendment dated August 22, 2007, among J.B. Poindexter & Co., Inc., certain subsidiaries thereof, certain other loan parties signatories thereto and LaSalle Bank National Association, a national banking association, for itself, as a lender, and as the agent for the lenders.
- 10.15<sup>(10)</sup> Limited Consent, Joinder and Seventh Omnibus Amendment dated September 4, 2007, among J.B. Poindexter & Co., Inc., certain subsidiaries thereof, certain other loan parties signatories thereto and LaSalle Bank National Association, a national banking association, for itself, as a lender, and as the agent for the lenders.
- 10.16<sup>(11)</sup> Limited Consent, Joinder and Eight Omnibus Amendment dated October 7, 2008, among J.B. Poindexter & Co., Inc., certain subsidiaries thereof, certain other loan parties signatories thereto and Bank of America, a national banking association, for itself, as a lender, and as the agent for the lenders.
- 10.17<sup>\*\*</sup> Limited Consent, Joinder and Ninth Omnibus Amendment dated January 14, 2010, among J.B. Poindexter & Co., Inc., certain subsidiaries thereof, certain other loan parties signatories thereto and Bank of America, a national banking association, for itself, as a lender, and as the agent for the lenders.
- 12<sup>\*\*</sup> Computation of Ratio of Earnings to Fixed Charges
- 14<sup>(12)</sup> Code of Ethics
- 21<sup>(12)</sup> List of subsidiaries of J.B. Poindexter & Co., Inc.
- 31.1<sup>\*</sup> Rule 13(a)-14(a)/15d-14(a) Certificate of the Chief Executive Officer
- 31.2<sup>\*</sup> Rule 13(a)-14(a)/15d-14(a) Certificate of the Chief Financial Officer
- 32.1<sup>\*</sup> Section 1350 Certificate of the Chief Executive Officer

- # Management contracts or compensatory plans.
- \* Filed herewith.
- \*\* Previously filed.

- (1) Incorporated by reference to J.B. Poindexter & Co., Inc.'s Registration Statement on Form S-1 (No. 33-75154) as filed with the SEC on February 10, 1994.
- (2) Incorporated by reference to J.B. Poindexter & Co., Inc.'s Annual Report on Form 10-K for the year ended December 31, 1994, as filed with the SEC on March 31, 1995.
- (3) Incorporated by reference to J.B. Poindexter & Co., Inc.'s Quarterly Report on Form 10-Q for the quarter ended September 30, 2003, as filed with the SEC on November 14, 2003.
- (4) Incorporated by reference to J.B. Poindexter & Co., Inc.'s Registration Statement on Form S-4 (No. 333-123598) as filed with the SEC on March 25, 2005.
- (5) Incorporated by reference to J.B. Poindexter & Co., Inc.'s Registration Statement as amended on Form S-4A (No. 333-123598) as filed with the SEC on April 7, 2005.
- (6) Incorporated by reference to J.B. Poindexter & Co., Inc.'s Quarterly Report on Form 10-Q for the quarter ended September 30, 2005, as filed with the SEC on November 14, 2005.
- (7) Incorporated by reference to J.B. Poindexter & Co., Inc.'s Annual Report on Form 10-K for the year ended December 31, 2005, as filed with the SEC on March 31, 2006.
- (8) Incorporated by reference to J.B. Poindexter & Co., Inc.'s Quarterly Report on Form 10-Q/A for the quarter ended September 30, 2006, as filed with the SEC on September 5, 2007.
- (9) Incorporated by reference to J.B. Poindexter & Co., Inc.'s Annual Report on Form 10-K for the year ended December 31, 2006, as filed with the SEC on April 2, 2007.
- (10) Incorporated by reference to J.B. Poindexter & Co., Inc.'s Quarterly Report on Form 10-Q for the quarter ended September 30, 2007, as filed with the SEC on November 20, 2007.
- (11) Incorporated by reference to J.B. Poindexter & Co., Inc.'s Annual Report on Form 10-K for the year ended December 31, 2008, as filed with the SEC on March 31, 2009.
- (12) Incorporated by reference to J.B. Poindexter & Co., Inc.'s Annual Report on Form 10-K for the year ended December 31, 2009, as filed with the SEC on March 31, 2010.

**Item 2. SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this amendment to be signed on its behalf by the undersigned, thereunto duly authorized.

June 15, 2011

J.B. Poindexter & Co., Inc.

By:           /s/ Michael O'Connor            
          Michael O'Connor  
          Chief Financial Officer