

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

---

## FORM 8-K/A

---

### CURRENT REPORT Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):  
December 2, 2005



**Alliance One International, Inc.**  
(Exact name of registrant as specified in its charter)

**Virginia**

(State or other jurisdiction  
of Incorporation)

**001-13684**

(Commission File Number)

**54-1746567**

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

8001 Aerial Center Parkway  
Morrisville, NC 27560-8417  
(Address of principal executive offices)

(919) 379-4300  
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

## **EXPLANATORY NOTE**

On December 2, 2005, Alliance One International, Inc. ("Alliance One" or the "Company") filed a Current Report on Form 8-K (the "Initial Form 8-K") disclosing the Company's determination to close the Company's two production facilities in Spain. On February 1, 2006, Alliance One entered into an agreement to sell its operating subsidiaries in Spain. The Company is filing this Amended Current Report on Form 8-K/A to amend the Initial Form 8-K to reflect (i) entry into the agreement to sell the two companies in Spain and (ii) the Company's revised estimates of the costs related to dispose of these facilities.

### **ITEM 2.05 COSTS ASSOCIATED WITH EXIT OR DISPOSAL ACTIVITIES.**

On November 28, 2005, the Finance Committee of the Board of Directors of Alliance One determined to close the Company's two production facilities in Spain after the completion of the 2006 crop processing season. This action will affect approximately 200 persons and the closures were originally expected to be concluded after seasonal tobacco packing is completed at the Malpartida facility in March 2006 and at the Benevente facility in June 2006.

The Company believes that the continued decline in the Spanish leaf tobacco market, combined with the decoupling of farm support prices from tobacco production under the European Union Common Agricultural Policy enacted in the prior year, have significantly impacted the long term viability of its Spanish operations. The decision to close these two operations reflects our continuing analysis and progress towards integrating and rationalizing our global processing footprint.

On February 1, 2006, Alliance One International, Inc. entered into a Agreement for the Purchase/Sale of Shares (the "Agreement") to sell 100% of the stock of Agroexpansion, S.A. ("Agroexpansion") and World Wide Tobacco España, S.A. ("WWTE") to Agrosalga, S.L., a Spanish company (the "Purchaser") led by Manuel Bermejo Hernández, a former President of Agroexpansion.

The Agreement contains customary representations, warranties and conditions to closing, including the entrance into certain tobacco purchase contracts by the Purchaser on or before February 15, 2006 and that Agroexpansion and WWTE have a minimum amount of cash available at closing. In addition, the parties have agreed to a due diligence period during which the Purchaser will continue to examine Agroexpansion and WWTE. Accordingly, there can be no assurance that Alliance One will complete the sale of Agroexpansion or WWTE on the terms outlined in the Agreement or at all. The Agreement provides that the closing shall be on or near August 1, 2006.

In connection with this sale, the Company estimates that it will incur one time costs between \$13 to \$15 million, including asset impairment charges of \$4.8 million in the quarter ended December 31, 2005. The remaining costs are cash charges which will be recognized to complete this transaction; including severance and other cash costs and potential future charges. The Company has recognized restructuring, asset impairment and other costs of \$3.2 million and an adjustment of \$7.3 million related to the former Standard operations, as an adjustment to the purchase price of the merger at December 31 in connection with the pending transactions. As previously disclosed, these actions are expected to generate additional annual savings of between \$5 and \$6 million per year after the sales have been completed.

### **ITEM 7.01 REGULATION FD DISCLOSURE**

On December 2, 2005, the Company issued a press release announcing the closure of its operations in Spain. On February 1, 2006, the Company issued a press release announcing the sale of the two companies which own its production facilities in Spain.

A copy of the December 2, 2005 press release was filed as Exhibit 99.1 to the Initial Form 8-K. A copy of the February 1, 2006 press release is attached hereto as Exhibit 99.2. The information contained in the press release shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, (the "Exchange Act") or otherwise subject to the liabilities of that section, and shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation by reference language contained therein, except as shall be expressly set forth by specific release in such a filing.

**ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS**

( c ) *Exhibits*

<b><u>Exhibit No.</u></b>	<b><u>Description</u></b>
99.1	Press Release dated December 2, 2005 (filed as Exhibit 99.1 to the Current Report on Form 8-K filed on December 2, 2005).
<a href="#"><u>99.2</u></a>	Press Release dated February 1, 2006

## **SIGNATURES**

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

Date: February 3, 2006

Alliance One International, Inc.  
Registrant

By: /s/ James A. Cooley

---

Executive Vice President - Chief Financial Officer

## INDEX TO EXHIBITS

<b><u>Exhibit No.</u></b>	<b><u>Description</u></b>	<b><u>Page No.</u></b>
99.1	Press Release dated December 2, 2005 (filed as Exhibit 99.1 to the Current Report on Form 8-K filed on December 2, 2005).	
<a href="#"><u>99.2</u></a>	Press Release dated February 1, 2006	6 - 7

**Alliance One International, Inc.**  
8001 Aerial Center Parkway  
Post Office Box 2009  
Morrisville, NC 27560-2009  
USA

Tel: 919 379 4300  
Fax: 919 379 4346  
[www.aointl.com](http://www.aointl.com)



**NEWS RELEASE**

Contact: Joel L. Thomas  
(919) 379-4300

February 1, 2006

**Alliance One Announces Sale of Spanish Production Facilities Which Were Slated for Closure**

Alliance One International, Inc. (NYSE: AOI) announced today it has reached a contractual agreement to sell the two companies which own its production facilities in Spain after the completion of the 2005 crop processing season, with the sale expected to close on or near August 1. The Company had previously announced the intention to close those factories after the season. The acquirer is Agrosalga, S.L., a Spanish company led by Manuel Bermejo Hernández, a former President of Agroexpansion, one of the two companies being sold.

The Company now estimates that it will incur one time costs between \$13 to \$15 million, including immediate asset impairment charges of \$4.8 million. The remaining amounts are cash charges which will be recognized to complete this transaction; including severance and other cash costs and potential future charges. The Company has recognized restructuring, asset impairment and other costs of \$3.2 million and an adjustment of \$7.3 million related to the former Standard operations, as an adjustment to the purchase price of the merger at December 31 in connection with the pending transactions. As previously disclosed, these actions are expected to generate additional annual savings of between \$5 and \$6 million per year after the sales have been completed.

Robert E. Harrison, President and Chief Operating Officer, stated, "Alliance One has made the appropriate decision to exit the Spanish market based on the continued decline in the Spanish leaf tobacco market, combined with the decoupling of farm support under the European Union Common Agricultural Policy. As we stated previously, these actions are necessary as we focus on those markets which will produce appropriate returns in the future and are in line with the strategic rationale for our merger.

"However, we are delighted to be able to transfer our Spanish companies to the Agrosalga group which is comprised of individuals who have significant experience in the Spanish market. We are pleased that this transaction will preserve an opportunity for many of our employees to continue working in the Spanish tobacco market and wish them every success in the future."

This press release contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations of future events. If underlying assumptions prove inaccurate or unknown risks or uncertainties materialize, actual results could vary materially from Alliance One's expectations and projections. Risks and uncertainties with respect to Alliance One's results of operations include changes in the timing of anticipated shipments, changes in anticipated geographic product sourcing, political instability in sourcing locations, currency and interest rate fluctuations, shifts in the global supply and demand position for leaf tobacco products, and the impact of regulation and litigation on Alliance One's customers. A further list and description of these risks, uncertainties and other factors can be found in Alliance One's (previously DIMON Incorporated) Annual Report for the fiscal year period ended March 31, 2005, and other filings with the Securities and Exchange Commission.

Alliance One International, Inc. is a leading independent leaf tobacco merchant. For more information on Alliance One, visit the Company's website at <http://www.aointl.com>.