

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of report (Date of earliest event reported): November 15, 2010

The Hillman Companies, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-13293
(Commission File Number)

23-2874736
(IRS Employer
Identification No.)

Registrant's telephone number, including area code (513) 851-4900

Not Applicable
(Former name or former address, if changed since last report.)

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 (see General Instruction A.2. below):

- 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))

Item 2.02. Results of Operations and Financial Condition.

On November 15, 2010, The Hillman Companies, Inc., (the "Company"), issued a press release announcing its financial results for the fiscal quarter ended September 30, 2010. The press release is furnished as Exhibit 99.1 to this report. The information in this exhibit shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of such section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of the general incorporation language of such filing, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

- (a) Not Applicable.
- (b) Not Applicable.
- (c) Not Applicable.
- (d) Exhibits.

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
99.1	Press Release dated November 15, 2010.

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.

THE HILLMAN COMPANIES, INC.

By: /s/ James P. Waters
Name: James P. Waters
Title: Chief Financial Officer

Date: November 15, 2010

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
99.1	Press Release dated November 15, 2010.



Hillman Reports Financial Results for its 2010 Third Quarter

CINCINNATI, Nov. 15 /PRNewswire-FirstCall/ — The Hillman Companies, Inc. (the “Company” or “Hillman”), today announced financial results for its third quarter and nine months ended September 30, 2010.

For the third quarter of 2010, net sales were \$122.7 million, which is unchanged from the comparable quarter of 2009. Adjusted EBITDA decreased \$3.2 million in the quarter ended September 30, 2010 compared to the same prior year period. The decrease in Adjusted EBITDA was primarily the result of a decline in gross margins, higher transportation costs and an increase in legal expenses.

Net sales for the nine months ended September 30, 2010 were \$356.1 million, a \$2.6 million or .7% decline from the nine month period ended September 30, 2009. Adjusted EBITDA for the nine month period decreased \$.5 million or .7% to \$66.1 million from the comparable prior year period.

Capital expenditures were \$10.1 million for the first nine months of 2010 compared to \$9.1 million in the same period in 2009. Capital spending has increased as the Company expands the rollout of next generation key cutting and engraving technology. The revolving credit facility of \$30 million remains undrawn at September 30, 2010 with an additional \$14.1 million of cash and equivalents on hand at quarter end.

For additional information on the 2010 third quarter financial results see Hillman’s quarterly report on Form 10-Q by visiting www.hillmangroup.com or www.sec.gov.

Non-GAAP Financial Measures

A reconciliation of EBITDA and Adjusted EBITDA to net income, the most directly comparable financial measure presented in accordance with GAAP, is set forth in the attachment to this release.

Conference Call

Management will host a conference call to discuss the financial results on Wednesday November 17, 2010 at 10:00 a.m. Eastern Time. Participants may join the call by dialing 1-800-860-2442 a few minutes before the call start time and referring to conference ID #445824. Additionally, an archived webcast of the conference call will be available on the Company’s website, www.hillmangroup.com.

About Hillman

Hillman sells to hardware stores, home centers, pet suppliers, mass merchants, and other retail outlets principally in the U.S., Canada, Mexico, and South America. Their product line includes thousands of small parts such as fasteners and related hardware items, keys, key duplication systems, and identification items, such as tags, letters, numbers and signs. Services offered include design and installation of merchandising systems and maintenance of appropriate in-store inventory levels.

For more information about Hillman, please visit our website or call Investor Relations at (513) 851-4900 ext. 2084

This document contains forward-looking statements, based on numerous assumptions and subject to risks and uncertainties. Although the Company believes that the forward-looking statements are reasonable, it does not and cannot give any assurance that its beliefs and expectations will prove to be correct. Many factors could significantly affect the Company's operations and cause the Company's actual results to differ substantially from the Company's expectations. Those factors include, but are not limited to: (i) general economic and construction business conditions; (ii) customer acceptance of the Company's products; (iii) relationships with key customers; (iv) materials and manufacturing costs; (v) the financial condition of customers, competitors and suppliers; (vi) technological developments; (vii) increased competition; (viii) changes in capital and credit market conditions; (ix) governmental and business conditions in countries where the Company's products are manufactured and sold; (x) changes in trade regulations; (xi) the effect of acquisition activity; (xii) changes in the Company's plans, strategies, objectives, expectations or intentions; and (xiii) other risks and uncertainties indicated from time to time in the Company's filings with the U.S. Securities and Exchange Commission. Actual results might differ materially from results suggested by any forward-looking statements in this report. The Company does not have an obligation to publicly update any forward-looking statements, whether as a result of the receipt of new information, the occurrence of future events or otherwise.

The Hillman Companies, Inc.
Condensed Consolidated Balance Sheets
(dollars in thousands)

	<u>As of</u> <u>September 30, 2010</u> <small>(unaudited)</small>	<u>As of</u> <u>December 31, 2009</u> <small>(audited)</small>
ASSETS		
Current assets:		
Cash and equivalents	\$ 14,064	\$ 17,164
Accounts, receivable, net	67,537	51,757
Inventory, net	88,757	83,182
Other	11,407	11,091
	181,765	163,194
Property and equipment, net	52,147	47,565
Intangibles, net	793,858	404,446
Other assets	22,799	13,276
Total assets	<u>\$ 1,050,569</u>	<u>\$ 628,481</u>
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Total current liabilities	\$ 56,469	\$ 52,584
Long term debt less current maturities	436,516	198,295
Junior subordinated debentures	115,943	115,716
Mandatorily redeemable preferred stock	—	111,452
Deferred income taxes	132,422	50,169
Accrued dividends on preferred stock	—	75,580
Other long term liabilities	5,700	27,793
Common stock with put options	12,397	7,451
Stockholders' equity (deficit)	291,122	(10,559)
Total liabilities and stockholders' equity (deficit)	<u>\$ 1,050,569</u>	<u>\$ 628,481</u>

The Hillman Companies, Inc.
Condensed Consolidated Statements of Operations
(dollars in thousands)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
Net sales	\$122,715	\$122,673	\$356,131	\$358,699
Cost of sales	60,050	57,580	172,845	176,965
Gross Profit	62,665	65,093	183,286	181,734
Selling, general and administrative expense	39,024	41,412	136,173	121,628
Depreciation and amortization	9,355	6,166	22,353	18,595
Non-recurring expenses	385	—	22,130	—
Management fees to a related party	—	250	438	759
Total operating expenses	48,764	47,828	181,094	140,982
Other income (expense), net	399	151	149	(316)
Income from operations	14,300	17,416	2,341	40,436
Interest expense, net	11,723	10,374	35,462	29,905
Investment income on trust common securities	(95)	(95)	(284)	(284)
Income (loss) before income taxes	2,672	7,137	(32,837)	10,815
Income tax provision (benefit)	1,222	4,396	(3,280)	9,558
Net income (loss)	<u>\$ 1,450</u>	<u>\$ 2,741</u>	<u>\$ (29,557)</u>	<u>\$ 1,257</u>

The following table sets forth a reconciliation of net income to EBITDA and Adjusted EBITDA for the periods shown:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
Net income	\$ 1,450	\$ 2,741	\$ (29,557)	\$ 1,257
Add back: Depreciation and amortization	9,355	6,166	22,353	18,595
Interest expense, net	11,723	10,374	35,462	29,905
Investment income on trust common securities	(95)	(95)	(284)	(284)
Income tax provision (benefit)	1,222	4,396	(3,280)	9,558
EBITDA (1)	\$ 23,655	\$ 23,582	\$ 24,694	\$ 59,031
Management fees to a related party	—	250	438	759
Stock compensation expense	—	3,288	19,053	7,088
Exchange rate (gain) loss	(237)	(135)	(233)	(305)
Non-recurring expenses	385	—	22,130	—
Adjusted EBITDA (1)	<u>\$ 23,803</u>	<u>\$ 26,985</u>	<u>\$ 66,082</u>	<u>\$ 66,573</u>

NOTE

(1) - EBITDA, a non-GAAP measure, is defined as net income (loss) before income tax expense (benefit), interest expense (net), investment income on trust common securities, depreciation and amortization. Adjusted EBITDA, also a non-GAAP measure, is defined as EBITDA plus share based compensation expense, foreign exchange gains and losses and non-recurring expenses. The Company believes that EBITDA and Adjusted EBITDA (collectively, "EBITDA-Based Measures") provide useful information to holders of the Company's securities regarding the Company's operating performance, capacity to incur and service debt, make distribution to holders of the Company's trust preferred securities and fund capital expenditures. The Company believes that EBITDA-Based Measures are used by many investors, analysts and rating agencies as a measure of performance. In addition, Adjusted EBITDA approximates Consolidated Adjusted EBITDA as defined in our senior credit facility and indentures relating to the Company's senior notes. Neither of the EBITDA Based Measures is defined by GAAP and neither should be considered in isolation or as an alternative to other financial data prepared in accordance with GAAP or as an indicator of the Company's operating performance. EBITDA and Adjusted EBITDA as defined in this release may differ from similarly titled measures presented by other companies.