

ALLIANCE ONE INTERNATIONAL, INC.  
Form 8-K  
December 02, 2005

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

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**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**

**001-13684**

**54-1746567**

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(State or other  
jurisdiction of  
Incorporation)

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(Commission File Number)

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(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))

Alliance One International, Inc.

## **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 International, Inc. (the Company) 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 are 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 closure of these two operations reflects our continuing analysis and progress towards integrating and rationalizing our global processing footprint.

The Company estimates that total one-time costs of approximately \$12 to \$14 million, substantially all of which are cash, will be recognized to complete these closings; including severance, asset impairment and other cash costs and potential inventory valuation charges. Approximately two-thirds of these costs, which relate to the former Standard operations, will be reflected as an adjustment to the purchase price of the merger; while the remaining costs will be



Alliance One International, Inc.

**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: December 2, 2005

Alliance One International, Inc.  
Registrant

By: /s/ James A. Cooley

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Executive Vice President - Chief Financial Officer

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Alliance One International, Inc. and Subsidiaries

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