

TECHNITROL INC
Form 10-Q
August 05, 2009

UNITED STATES

SECURITIES & EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

The Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended June 26, 2009, or

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period from _____ to _____.

Commission File No. 1-5375

TECHNITROL, INC.

(Exact name of registrant as specified in its Charter)

PENNSYLVANIA

(State or other jurisdiction of incorporation or
organization)

23-1292472

(IRS Employer Identification Number)

1210 Northbrook Drive, Suite 470
Trevose, Pennsylvania
(Address of principal executive offices)

19053
(Zip Code)

Registrant's telephone number, including area code: 215-355-2900

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 the filing requirements for at least the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer or a non-accelerated filer (as defined in Rule 12b-2 of the Act).

Large accelerated filer Accelerated filer Non-accelerated filer 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
o No x

Indicate the number of shares outstanding of each of the issuer's classes of Common Stock, as of August 5, 2009:
41,140,099

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PART I. FINANCIAL INFORMATION

Item 1: Financial Statements

Technitrol, Inc. and Subsidiaries
Consolidated Balance Sheets

In thousands

Assets	June 26, 2009 (unaudited)	December 26, 2008
Current assets:		
Cash and cash equivalents	\$ 31,402	\$ 41,401
Accounts receivable, net	65,955	128,010
Inventories	45,083	127,074
Prepaid expenses and other current assets	20,173	58,568
Assets of discontinued operations held for sale	95,071	—
Total current assets	257,684	355,053
Long-term assets:		
Property, plant and equipment	139,347	323,847
Less accumulated depreciation	91,317	171,116
Net property, plant and equipment	48,030	152,731
Deferred income taxes	29,611	34,933
Goodwill, net	15,433	164,778
Other intangibles, net	24,775	51,351
Other assets	12,667	11,065
	\$ 388,200	\$ 769,911
Liabilities and Shareholders' Equity		
Current liabilities:		
Current installments of long-term debt	\$ —	\$ 17,189
Accounts payable	47,294	75,511
Accrued expenses and other current liabilities	45,606	86,477
Liabilities of discontinued operations held for sale	42,300	—
Total current liabilities	135,200	179,177
Long-term liabilities:		
Long-term debt, excluding current installments	127,000	326,000
Deferred income taxes	11,905	16,255
Other long-term liabilities	45,747	40,347
Shareholders' equity:		
Technitrol, Inc. shareholders' equity:		
Common stock and additional paid-in capital	223,534	225,117
Retained loss	(183,697)	(1,045)
Accumulated other comprehensive income (loss)	17,726	(26,626)
Total Technitrol, Inc. shareholders' equity	57,563	197,446

Non-controlling interest	10,785	10,686
Total equity	68,348	208,132
	\$388,200	\$ 769,911

See accompanying Notes to Unaudited Consolidated Financial Statements.

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Technitrol, Inc. and Subsidiaries
 Consolidated Statements of Operations

(Unaudited)

In thousands, except per share data

	Three Months Ended		Six Months Ended	
	June 26, 2009	June 27, 2008	June 26, 2009	June 27, 2008
Net sales	\$92,071	\$174,552	\$192,044	\$333,004
Cost of sales	68,647	136,209	146,151	255,488