

KADANT INC
Form 10-Q
May 08, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 30, 2013

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 number 1-11406

KADANT INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction of Incorporation or Organization)

52-1762325
(I.R.S. Employer Identification No.)

One Technology Park Drive
Westford, Massachusetts
(Address of Principal Executive Offices)

01886
(Zip Code)

Registrant's telephone number, including area code: (978) 776-2000

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 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, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting

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company” in Rule 12b-2 of the Exchange 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

No

Indicate the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date.

Class	Outstanding at April 26, 2013
Common Stock, \$.01 par value	11,205,667

PART 1 – FINANCIAL INFORMATION

Item 1 – Financial Statements

KADANT INC.
Condensed Consolidated Balance Sheet
(Unaudited)

Assets

(In thousands)	March 30, 2013	December 29, 2012
Current Assets:		
Cash and cash equivalents	\$58,402	\$ 54,553
Accounts receivable, less allowances of \$2,246 and \$2,306 (Note 2)	57,902	59,359
Inventories (Note 1)	42,349	42,077
Unbilled contract costs and fees	3,382	2,800
Other current assets	19,872	16,291
Assets of discontinued operation	506	513
Total Current Assets	182,413	175,593
Property, Plant, and Equipment, at Cost	106,666	109,046
Less: accumulated depreciation and amortization	68,955	69,878
	37,711	39,168
Other Assets	34,981	36,240
Goodwill	106,153	107,947
Total Assets	\$361,258	\$ 358,948

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

KADANT INC.
Condensed Consolidated Balance Sheet (continued)
(Unaudited)

Liabilities and Stockholders' Equity

(In thousands, except share amounts)	March 30, 2013	December 29, 2012
Current Liabilities:		
Current maturities of long-term obligations	\$ 500	\$ 625
Accounts payable	22,883	23,124
Accrued payroll and employee benefits	13,582	16,358
Customer deposits	17,877	14,811
Accrued warranty costs (Note 1)	4,119	4,462
Deferred revenue	4,787	3,918
Other current liabilities	12,455	11,615
Liabilities of discontinued operation	296	379
Total Current Liabilities	76,499	75,292
Other Long-Term Liabilities	28,439	27,439
Long-Term Obligations (Note 5)	6,125	6,250
Commitments and Contingencies (Note 12)		
Stockholders' Equity:		
Preferred stock, \$.01 par value, 5,000,000 shares authorized; none issued	-	-
Common stock, \$.01 par value, 150,000,000 shares authorized; 14,624,159 shares issued	146	146
Capital in excess of par value	93,216	95,448
Retained earnings	234,212	230,329
Treasury stock at cost, 3,418,492 and 3,493,546 shares	(72,708)	(74,025)
Accumulated other comprehensive items (Note 8)	(6,043)	(3,315)
Total Kadant Stockholders' Equity	248,823	248,583
Noncontrolling interest	1,372	1,384
Total Stockholders' Equity	250,195	249,967
Total Liabilities and Stockholders' Equity	\$ 361,258	\$ 358,948

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

KADANT INC.
Condensed Consolidated Statement of Income
(Unaudited)

(In thousands, except per share amounts)	Three Months Ended	
	March 30, 2013	March 31, 2012
Revenues	\$76,204	\$84,113
Costs and Operating Expenses:		
Cost of revenues	40,178	45,741
Selling, general, and administrative expenses	26,950	26,143
Research and development expenses	1,704	1,532
Other expense	–	307
	68,832	73,723
Operating Income	7,372	10,390