

GENERAL CABLE CORP /DE/
Form 10-Q
May 04, 2012
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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, 2012

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: 1-12983

GENERAL CABLE CORPORATION
(Exact name of registrant as specified in its charter)

Delaware 06-1398235
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

4 Tesseneer Drive 41076-9753
Highland Heights, KY (Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (859) 572-8000

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 (§ 232.405 of this chapter) 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. See definition of "accelerated filer," "large accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

(Check one):

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:

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Class	Outstanding at April 26, 2012
Common Stock, \$0.01 per value	49,767,438

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PART I. FINANCIAL STATEMENTS

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

GENERAL CABLE CORPORATION AND SUBSIDIARIES

Condensed Consolidated Statements of Operations and Comprehensive Income

(in millions, except per share data)

(unaudited)

	Three Fiscal Months Ended	
	March 30,	April 1,
	2012	2011
Net sales	\$1,432.5	\$1,447.6
Cost of sales	1,285.3	1,280.6
Gross profit	147.2	167.0
Selling, general and administrative expenses	93.8	93.9
Operating income	53.4	73.1
Other income (expense)	6.8	7.0
Interest income (expense):		
Interest expense	(24.7	) (24.0
Interest income	1.7	2.0
	(23.0	) (22.0
Income before income taxes	37.2	58.1
Income tax (provision) benefit	(10.9	) (19.4
Equity in earnings of affiliated companies	—	0.4
Net income including non-controlling interest	26.3	39.1
Less: preferred stock dividends	0.1	0.1
Less: net income attributable to non-controlling interest	1.3	0.8
Net income attributable to Company common shareholders	\$24.9	\$38.2
Comprehensive income	76.4	67.7
Earnings per share		
Earnings per common share-basic	\$0.50	\$0.73
Weighted average common shares-basic	49.7	52.1
Earnings per common share-assuming dilution	\$0.49	\$0.70
Weighted average common shares-assuming dilution	51.1	54.5
See accompanying Notes to Condensed Consolidated Financial Statements.		

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GENERAL CABLE CORPORATION AND SUBSIDIARIES

Condensed Consolidated Balance Sheets

(in millions, except share data)

(unaudited)

	March 30, 2012	December 31, 2011
Assets		
Current Assets:		
Cash and cash equivalents	\$427.1	\$ 434.1
Receivables, net of allowances of \$21.0 million at March 30, 2012 and \$17.2 million at December 31, 2011	1,182.9	1,080.9
Inventories, net	1,267.8	1,228.7
Deferred income taxes	34.1	43.4
Prepaid expenses and other	104.0	100.0
Total current assets	3,015.9	2,887.1
Property, plant and equipment, net	1,051.3	1,028.6
Deferred income taxes	24.8	18.6
Goodwill	167.3	164.9
Intangible assets, net	181.5	181.6
Unconsolidated affiliated companies	18.8	18.6
Other non-current assets	66.5	71.0
Total assets	\$4,526.1	\$ 4,370.4
Liabilities and Total Equity		
Current Liabilities:		
Accounts payable	\$937.7	\$ 946.5
Accrued liabilities	427.2	420.0
Current portion of long-term debt	169.9	156.3
Total current liabilities	1,534.8	1,522.8
Long-term debt	944.7	892.6
Deferred income taxes	206.8	200.0
Other liabilities	249.0	243.1
Total liabilities	2,935.3	2,858.5
Commitments and Contingencies		
Total Equity:		
Redeemable convertible preferred stock, at redemption value (liquidation preference of \$50.00 per share):		
March 30, 2012 – 76,002 shares outstanding		
December 31, 2011 – 76,002 shares outstanding	3.8	3.8
Common stock, \$0.01 par value, issued and outstanding shares:		
March 30, 2012– 49,767,453 (net of 8,693,465 treasury shares)		
December 31, 2011 – 49,697,763 (net of 8,758,267 treasury shares)	0.6	0.6
Additional paid-in capital	668.9	666.7
Treasury stock	(135.5	) (136.5
Retained earnings	984.0	959.1
Accumulated other comprehensive income (loss)	(48.1	) (95.1
Total Company shareholders' equity	1,473.7	1,398.6
Non-controlling interest	117.1	113.3
Total equity	1,590.8	1,511.9
Total liabilities and equity	\$4,526.1	\$ 4,370.4

See accompanying Notes to Condensed Consolidated Financial Statements.

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GENERAL CABLE CORPORATION AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows

(in millions)

(unaudited)

	Three Fiscal Months Ended	
	March 30, 2012	April 1, 2011
Cash flows of operating activities:		
Net income (loss) including non-controlling interest	\$26.3	\$39.1
Adjustments to reconcile net income (loss) to net cash flows of operating activities:		
Depreciation and amortization	26.8	27.7
Amortization on restricted stock awards	0.8	1.0
Foreign currency exchange (gain) loss	0.8	0.2
Deferred income taxes	10.0	(6.4)
Excess tax (benefits) deficiencies from stock-based compensation	(0.1)	(0.7)
Convertible debt instruments noncash interest charges	5.4	5.1
(Gain) loss on disposal of property	—	0.1
Changes in operating assets and liabilities, net of effect of acquisitions and divestitures:		
(Increase) decrease in receivables	(82.0)	(100.6)
(Increase) decrease in inventories	(15.9)	(176.8)
(Increase) decrease in other assets	(0.2)	(7.3)
Increase (decrease) in accounts payable, accrued and other liabilities	(6.5)	113.0
Net cash flows of operating activities	(34.6)	(105.6)
Cash flows of investing activities:		
Capital expenditures	(35.9)	(26.6)
Proceeds from properties sold	4.2	0.3
Acquisitions, net of cash acquired	—	—
Other	—	0.5
Net cash flows of investing activities	(31.7)	(25.8)
Cash flows of financing activities:		
Preferred stock dividends paid	(0.1)	(0.1)
Excess tax benefits (deficiencies) from stock-based compensation	0.1	0.7
Proceeds from other debt	450.0	378.7
Repayments of other debt	(398.3)	(281.5)
Dividends to non-controlling interest	(0.6)	—
Proceeds from exercise of stock options	0.1	0.7
Net cash flows of financing activities	51.2	98.5
Effect of exchange rate changes on cash and cash equivalents	8.1	(10.6)
Increase (decrease) in cash and cash equivalents	(7.0)	(43.5)
Cash and cash equivalents – beginning of period	434.1	458.7
Cash and cash equivalents – end of period	\$427.1	\$415.2
Supplemental Information		
Cash paid during the period for:		
Income tax payments, net of refunds	\$6.5	\$6.1
Interest paid	\$14.8	\$13.2
Non-cash investing and financing activities:		
Capital expenditures included in accounts payable	\$28.0	\$29.0
See accompanying Notes to Condensed Consolidated Financial Statements.		

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GENERAL CABLE CORPORATION AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements (unaudited)

1. Basis of Presentation and Principles of Consolidation

The accompanying unaudited condensed consolidated financial statements of General Cable Corporation and Subsidiaries (“General Cable” or the “Company”) have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Results of operations for the three fiscal months ended March 30, 2012 are not necessarily indicative of results that may be expected for the full year. The December 31, 2011 condensed consolidated balance sheet amounts are derived from the audited financial statements. These financial statements should be read in conjunction with the audited financial statements and notes thereto in General Cable’s 2011 Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 23, 2012. The Company’s fiscal quarters consist of 13-week periods ending on the Friday nearest to the end of the calendar months of March, June and September.

The condensed consolidated financial statements include the accounts of General Cable Corporation and its wholly-owned subsidiaries. Investments in 50% or less owned joint ventures in which the Company has the ability to exercise significant influence are accounted for under the equity method of accounting. All intercompany transactions and balances among the consolidated companies have been eliminated.

2. Accounting Standards

The Company’s significant accounting policies are described in Footnote 2 - Accounting Standards to the audited annual consolidated financial statements in the 2011 Form 10-K. In the three months ended March 30, 2012, there have been no significant changes to these policies. In the three months ended March 30, 2012 there have been no accounting pronouncements issued that are expected to have a significant effect on the consolidated financial statements. The following accounting pronouncements were adopted and became effective with respect to the Company in 2012 and 2011:

In May 2011, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2011-04 accounting guidance related to fair value measurements ASC 820 - Fair Value Measurement. The new guidance provides clarification to existing standards, and also provides new required disclosures, primarily related to Level 3 fair value measurements. This guidance became effective for the Company on January 1, 2012. The adoption of this guidance did not have a material impact on the consolidated financial statements.

In June 2011, the FASB issued ASU No. 2011-05 accounting guidance related to the presentation requirements for components of comprehensive income ASC 220 - Comprehensive Income. This update was amended in December 2011 by ASU No. 2011-12, Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in ASU No. 2011-05. This update defers only those changes in update ASU No. 2011-05 that relate to the presentation of reclassification adjustments. All other requirements in update ASU No. 2011-05 are not affected by this update, including the requirement to report comprehensive income either in a single continuous financial statement or in two separate but consecutive financial statements. ASU No. 2011-05 and 2011-12 are effective for fiscal years (including interim periods) beginning after December 15, 2011. This guidance is effective for the Company and the Company has presented other comprehensive income in a single continuous financial statement, which was previously presented within the Statements of Consolidated Stockholders' Equity.

In September 2011, the FASB issued ASU No. 2011-08 accounting guidance related to the testing of goodwill for impairment

ASC 350 - Intangibles-Goodwill and Other. Under this guidance, entities will have the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying value. This guidance will become effective for the Company on December 31, 2012. The adoption of this guidance is not expected to have a material impact on the consolidated financial statements.

3. Acquisitions and Divestitures

General Cable actively seeks to identify key global macroeconomic and geopolitical trends in order to capitalize on expanding markets and new niche markets or exit declining or non-strategic markets in order to achieve better returns. The Company also sets aggressive performance targets for its business and intends to refocus or divest those activities which fail to meet targets or do not fit long-term strategies. The Company did not enter into any acquisitions or divestitures in the three months ended

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March 30, 2012.

4. Other income (expense)

Other income (expense) includes foreign currency transaction gains or losses, which result from changes in exchange rates between the designated functional currency and the currency in which a transaction is denominated as well as gains and losses on derivative instruments that are not designated as cash flow hedges. During the three months ended March 30, 2012 and April 1, 2011, the Company recorded other income of \$6.8 million and \$7.0 million, respectively. For the three months ended March 30, 2012, other income was primarily the result of \$5.5 million related to gains on derivative instruments that were not designated as cash flow hedges and other income of \$2.1 million related to foreign currency transactions. For the three months ended April 1, 2011, other income was primarily the result of \$6.0 million related to gains on derivative instruments that were not designated as cash flow hedges and other income of \$1.5 million related to foreign currency transactions.

The functional currency of the Company's subsidiary in Venezuela is the U.S. dollar. The Company remeasures the financial statements of the Venezuelan subsidiary at the rate the Company expects to remit dividends, which is 4.30 Venezuelan Bolivar ("BsF") per U.S. dollar.

Effective January 1, 2011, the Central Bank of Venezuela and the Ministry of Finance published an amendment to Convenio Cambiario No. 14 (the Exchange Law), whereby the official exchange rate was set at 4.30 BsF per U.S. dollar. See Item 2, "Venezuelan Operations" for additional details.

5. Inventories

Approximately 81% of the Company's inventories are valued using the average cost method and all remaining inventories are valued using the first-in, first-out (FIFO) method. All inventories are stated at the lower of cost or market value.

(in millions)	March 30, 2012	December 31, 2011
Raw materials	\$297.5	\$ 298.2
Work in process	220.9	199.3
Finished goods	749.4	731.2
Total	\$1,267.8	\$ 1,228.7

6. Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Costs assigned to property, plant and equipment related to acquisitions are based on estimated fair values on the acquisition date. Depreciation is recorded using the straight-line method over the estimated useful lives of the assets: new buildings, from 15 to 50 years; and machinery, equipment and office furnishings, from 2 to 15 years. Leasehold improvements are depreciated over the shorter of the lease term or the useful life of the asset, unless acquired in a business combination, in which case the leasehold improvements are amortized over the shorter of the useful life of the asset or a term that includes the reasonably assured life of the lease.

Property, plant and equipment consisted of the following (in millions):

	March 30, 2012	December 31, 2011
Land	\$113.3	\$ 110.7
Buildings and leasehold improvements	314.4	303.4
Machinery, equipment and office furnishings	1,112.7	1,062.9
Construction in progress	88.5	95.3
Total – gross book value	1,628.9	1,572.3
Less accumulated depreciation	(577.6)	(543.7)
Total – net book value	\$1,051.3	\$ 1,028.6

Depreciation expense for the three fiscal months ended March 30, 2012 was \$23.8 million. Depreciation expense for the three fiscal months ended April 1, 2011 was \$24.0 million.

The Company periodically evaluates the recoverability of the carrying amount of long-lived assets (including property, plant and equipment and intangible assets with determinable lives) whenever events or changes in circumstances indicate that the

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carrying amount of an asset may not be fully recoverable. The Company evaluates events or changes in circumstances based mostly on actual historical operating results, but business plans, forecasts, general and industry trends, and anticipated cash flows are also considered. Impairment is assessed when the undiscounted expected future cash flows derived from an asset are less than its carrying amount. Impairment losses are measured as the amount by which the carrying value of an asset exceeds its fair value and are recognized in earnings. The Company also continually evaluates the estimated useful lives of all long-lived assets and, when warranted, revises such estimates based on current events. No material impairment charges occurred during the three fiscal months ended March 30, 2012 and April 1, 2011.

7. Goodwill and Other Intangible Assets

Goodwill and intangible assets with indefinite useful lives are not amortized, but are reviewed at least annually for impairment. If the carrying amount of goodwill or an intangible asset with an indefinite life exceeds its fair value, an impairment loss would be recognized in the amount equal to the excess. Intangible assets that are not deemed to have indefinite lives are amortized over their useful lives.

The amounts of goodwill and indefinite-lived intangible assets were as follows in millions of dollars:

	Goodwill				Indefinite-lived assets – Trade names			
	North America	Europe and Mediterranean	ROW	Total	North America	Europe and Mediterranean	ROW	Total
Balance, December 31, 2011	\$2.3	\$ 2.3	\$ 160.3	\$ 164.9	\$2.4	\$ 0.5	\$ 132.3	\$ 135.2
Acquisitions	—	—	—	—	—	—	—	—
Currency translation and other adjustments	—	—	2.4	2.4	—	—	1.7	1.7
Balance, March 30, 2012	\$2.3	\$ 2.3	\$ 162.7	\$ 167.3	\$2.4	\$ 0.5	\$ 134.0	\$ 136.9

The amounts of other intangible assets – customer relationships were as follows in millions of dollars:

	March 30, 2012	December 31, 2011
Amortized intangible assets:		
Customer relationships	\$ 108.3	\$ 108.3
Accumulated amortization	(64.5)	(61.8)
Foreign currency translation adjustment	0.8	(0.1)
Amortized intangible assets, net	\$ 44.6	\$ 46.4

Amortized intangible assets are stated at cost less accumulated amortization as of March 30, 2012 and December 31, 2011. Customer relationships have been determined to have a useful life in the range of 3.5 to 10 years and the Company has accelerated the amortization expense to align with the historical customer attrition rates. The amortization of intangible assets for the first three fiscal months of 2012 and 2011 was \$2.7 million and \$3.3 million, respectively. The estimated amortization expense during the twelve month periods beginning March 30, 2012 through March 31, 2017, based on exchange rates as of March 30, 2012, are \$10.1 million, \$9.0 million, \$8.2 million, \$7.3 million, \$6.3 million and \$3.7 million thereafter.

8. Accrued Liabilities

Included within accrued liabilities were accruals related to restructuring and warranty expenses as of March 30, 2012 and December 31, 2011.

Restructuring Accrual

The Company has incurred expenses as a result of cost reduction efforts in Europe in recent years. The expenses primarily relate to employee termination benefits that are payable under local statutory requirements. In the three months ended March 30, 2012 and April 1, 2011, the Company incurred \$0.3 million and \$5.3 million in charges related to actions taken at various operations in Europe to permanently reduce manufacturing personnel. The accrual balance at March 30, 2012 and December 31, 2011 related to these actions was immaterial. Other expenses related to routine employee reductions for cost savings initiatives throughout the globe, with the exception of the

aforementioned actions, were immaterial.

Warranty Accrual

The warranty accrual balance at March 30, 2012 and December 31, 2011 was \$11.8 million and \$11.5 million. The Company accrues liabilities under service and warranty policies based upon specific claims and a review of historical warranty and service

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claims experience. Adjustments are made to the accruals as claims data and historical experience change. In addition, the Company incurs discretionary costs to service its products in connection with product performance issues.

Changes in the carrying amount of the service and product warranty accrual are below (in millions):

Balance, December 31, 2011	\$11.5
Net provisions for warranties issued	1.0
Net benefits for warranties existing at the beginning of the year	—
Payments related to the warranty accrual	(1.0)
Foreign currency translation	0.3
Balance, March 30, 2012	\$11.8

9. Long-Term Debt

(in millions)	March 30, 2012	December 31, 2011
North America		
Subordinated Convertible Notes due 2029	\$429.5	\$429.5
Debt discount on Subordinated Convertible Notes due 2029	(264.1)	(264.4)
1.00% Senior Convertible Notes due 2012	10.6	10.6
Debt discount on 1.00% Senior Convertible Notes due 2012	(0.3)	(0.5)
0.875% Convertible Notes due 2013	355.0	355.0
Debt discount on 0.875% Convertible Notes due 2013	(35.7)	(40.6)
7.125% Senior Notes due 2017	200.0	200.0
Senior Floating Rate Notes	125.0	125.0
Revolving Credit Facility	86.3	34.9
Other	9.0	9.0
Europe and Mediterranean		
Spanish Term Loan	26.3	31.4
Credit facilities	25.7	27.4
Uncommitted accounts receivable facilities	—	2.1
Other	12.6	11.5
Rest of World (“ROW”)		
Credit facilities	134.7	118.0
Total debt	1,114.6	1,048.9
Less current maturities	169.9	156.3
Long-term debt	\$944.7	\$892.6

At March 30, 2012, maturities of long-term debt during the twelve month periods beginning March 30, 2012 through March 30, 2017 are \$169.9 million, \$344.6 million, \$8.3 million, \$214.4 million and \$1.1 million, respectively, and \$376.3 million thereafter. As of March 30, 2012 and December 31, 2011, the Company was in compliance with all material debt covenants as discussed below.

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The Company's convertible debt instruments outstanding as of March 30, 2012 and December 31, 2011 are as follows:

(in millions)	Subordinated Convertible Notes		1.00% Senior Convertible Notes		0.875% Convertible Notes	
	March 30, 2012	December 31, 2011	March 30, 2012	December 31, 2011	March 30, 2012	December 31, 2011
Face value	\$429.5	\$429.5	\$10.6	\$10.6	\$355.0	\$355.0
Debt discount	(264.1)	(264.4)	(0.3)	(0.5)	(35.7)	(40.6)
Book value	165.4	165.1	10.3	10.1	319.3	314.4
Fair value	453.0	412.3	10.6	9.8	347.9	329.7
Maturity date	Nov 2029		Oct 2012		Nov 2013	
Stated annual interest rate	4.50% until Nov 2019 2.25% until Nov 2029		1.00% until Oct 2012		0.875% until Nov 2013	
Interest payments	Semi-annually: May 15 & Nov 15		Semi-annually: Apr 15 & Oct 15		Semi-annually: May 15 & Nov 15	

The 1.00% Senior Convertible Notes and the 0.875% Convertible Notes are unconditionally guaranteed, jointly and severally, on a senior unsecured basis, by the Company's wholly-owned U.S. and Canadian subsidiaries. For additional information on the convertible notes, refer to the Company's 2011 Annual Report on Form 10-K.

Subordinated Convertible Notes

The Company's Subordinated Convertible Notes were issued on December 15, 2009 in the amount of \$429.5 million as part of an exchange offer. The notes and the common stock issuable upon conversion were registered on a Registration Statement on Form S-4, initially filed with the SEC on October 27, 2009, as amended and as declared effective by the SEC on December 15, 2009. At issuance, the Company separately accounted for the liability and equity components of the instrument, based on the Company's nonconvertible debt borrowing rate on the instrument's issuance date of 12.5%. At issuance, the liability and equity components were \$162.9 million and \$266.6 million, respectively. The equity component (debt discount) is being amortized to interest expense based on the effective interest method. There were no proceeds generated from the transaction and the Company incurred issuance fees and expenses of approximately \$14.5 million as a result of the exchange offer which have been proportionately allocated to the liability and equity components of the Subordinated Convertible Notes due in 2029.

1.00% Senior Convertible Notes

As a result of the aforementioned exchange offer of Subordinated Convertible Notes due in 2029, approximately 97.8% or \$464.4 million of the Company's 1.00% Senior Convertible Notes were validly tendered. As of December 15, 2009, there were \$10.6 million of the 1.00% Senior Convertible Notes outstanding. The Company's 1.00% Senior Convertible Notes were originally issued in September 2007 in the amount of \$475.0 million and sold to qualified institutional buyers in reliance on Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"). Subsequently, on September 30, 2008, the resale of the notes and the common stock issuable upon conversion of the notes was registered on a Registration Statement on Form S-3. The Company separately accounted for the liability and equity components of the instrument based on the Company's nonconvertible debt borrowing rate on the instrument's issuance date of 7.5%. At issuance, the liability and equity components were \$348.2 million and \$126.8 million, respectively. At the exchange date December 15, 2009, the liability and equity components were \$389.7 million and \$74.7 million, respectively. The equity component (debt discount) is being amortized to interest expense based on the effective interest method.

Proceeds from the 1.00% Senior Convertible Notes were used to partially fund the purchase price of \$707.6 million related to the Phelps Dodge International Corporation ("PDIC") acquisition and to pay transaction costs of approximately \$12.3 million directly related to the issuance which have been allocated to the liability and equity components in proportion to the allocation of proceeds.

0.875% Convertible Notes

The Company's 0.875% Convertible Notes were issued in November of 2006 in the amount of \$355.0 million. At the time of issuance, the notes and the common stock issuable upon conversion of the notes were registered on a Registration Statement on Form S-3ASR, which was renewed on September 30, 2009 when the Company filed a Renewal Registration Statement for the underlying common stock on Form S-3ASR. The Company separately accounted for the liability and equity components of the instrument based on the Company's nonconvertible debt borrowing rate on the instrument's issuance date of 7.35%. At issuance, the liability and equity components were \$230.9 million and \$124.1 million, respectively. The equity component (debt discount) is being amortized to interest expense based on the effective interest method.

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Concurrent with the sale of the 0.875% Convertible Notes, the Company purchased note hedges that are designed to mitigate potential dilution from the conversion of the 0.875% Convertible Notes in the event that the market value per share of the Company's common stock at the time of exercise is greater than approximately \$50.36. Under the note hedges that cover approximately 7,048,880 shares of the Company's common stock, the counterparties are required to deliver to the Company either shares of the Company's common stock or cash in the amount that the Company delivers to the holders of the 0.875% Convertible Notes with respect to a conversion, calculated exclusive of shares deliverable by the Company by reason of any additional make whole premium relating to the 0.875% Convertible Notes or the Company's election to unilaterally increase the conversion rate as permitted by the indenture governing the 0.875% Convertible Notes. The note hedges expire at the close of trading on November 15, 2013, which is also the maturity date of the 0.875% Convertible Notes, although the counterparties will have ongoing obligations with respect to 0.875% Convertible Notes properly converted on or prior to that date as to which the counterparties have been timely notified.

The Company issued warrants to counterparties that could require the Company to issue up to approximately 7,048,880 shares of the Company's common stock in equal installments on each of the fifteen consecutive business days beginning on and including February 13, 2014. The strike price is \$76.00 per share, which represents a 92.4% premium over the closing price of the Company's shares of common stock on November 9, 2006. The warrants are expected to provide the Company with some protection against increases in the common stock price over the conversion price per share.

The note hedges and warrants are separate and legally distinct instruments that bind the Company and the counterparties and have no binding effect on the holders of the 0.875% Convertible Notes. In addition, the note hedges and warrants were recorded as a charge and an increase, respectively, in additional paid-in capital in total equity as separate equity transactions.

Proceeds from the offering were used to decrease outstanding debt by \$87.8 million, including accrued interest, under the Company's Terminated Credit Facility, to pay \$124.5 million for the cost of the note hedges, and to pay transaction costs of approximately \$9.4 million directly related to the issuance which have been allocated to the liability and equity components in proportion to the allocation of proceeds. Additionally, the Company received \$80.4 million in proceeds from the issuance of the warrants. At the conclusion of these transactions, the net effect of the receipt of the funds from the 0.875% Convertible Notes and the payments and proceeds mentioned above was an increase in cash of approximately \$213.7 million, which was used by the Company for general corporate purposes including acquisitions.

7.125% Senior Notes and Senior Floating Rate Notes

The Company's \$325.0 million in aggregate principal amount of senior unsecured notes, comprised of \$125.0 million of Senior Floating Rate Notes due 2015 (the "Senior Floating Rate Notes") and \$200.0 million of 7.125% Senior Fixed Rate Notes due 2017 (the "7.125% Senior Notes" and together, the "Notes") were offered and sold in private transactions in accordance with Rule 144A and Regulation S under the Securities Act on March 21, 2007. An exchange offer commenced on June 11, 2007 and was completed on July 26, 2007 to replace the unregistered Notes with registered Notes with like terms pursuant to an effective Registration Statement on Form S-4.

(in millions)	7.125% Senior Notes		Senior Floating Rate Notes		
	March 30, 2012	December 31, 2011	March 30, 2012	December 31, 2011	
Face value	\$200.0	\$200.0	\$125.0	\$125.0	
Fair value	207.2	198.5	117.0	117.5	
Interest rate	7.125 %	7.125 %	2.8 %	3.0 %	
Interest payment	Semi-annually: Apr 1 & Oct 1		3-month LIBOR rate plus 2.375% Quarterly: Jan 1, Apr 1, Jul 1 & Oct 1		

Maturity date	Apr 2017		Jul 2015	
Guarantee	Jointly and severally guaranteed by the Company's wholly-owned U.S. and Canadian subsidiaries			
	Beginning Date	Percentage	Beginning Date	Percentage
	April 1, 2012	— 103.563	% April 1, 2009	— 102.0 %
Call Option ⁽¹⁾	April 1, 2013	— 102.375	% April 1, 2010	— 101.0 %
	April 1, 2014	— 101.188	% April 1, 2011	— 100.0 %
	April 1, 2015	— 100.000	%	

(1) The Company may, at its option, redeem the Notes on or after the stated beginning dates at percentages noted above (plus interest due)

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The Notes' indenture contains covenants that limit the ability of the Company and certain of its subsidiaries to (i) pay dividends on, redeem or repurchase the Company's capital stock; (ii) incur additional indebtedness; (iii) make investments; (iv) create liens; (v) sell assets; (vi) engage in certain transactions with affiliates; (vii) create or designate unrestricted subsidiaries; and (viii) consolidate, merge or transfer all or substantially all assets. However, these covenants are subject to important exceptions and qualifications, one of which permits the Company to declare and pay dividends or distributions on the Series A preferred stock provided there are no default on the Notes and certain financial conditions are met.

Proceeds from the Notes of \$325.0 million, less approximately \$7.9 million of cash payments for fees and expenses that are being amortized over the life of the Notes, were used to pay approximately \$285.0 million for 9.5% Senior Notes, \$9.3 million for accrued interest on the 9.5% Senior Notes and \$20.5 million for tender fees and the inducement premium on the 9.5% Senior Notes, leaving net cash proceeds of approximately \$2.3 million which were used for general corporate purposes.

Asset-Based Revolving Credit Facility ("Revolving Credit Facility")

On July 22, 2011, the Company entered into a new \$400 million asset-based revolving credit facility. The Revolving Credit Facility replaced the Company's prior \$400 million Senior Secured Revolving Credit Facility ("Terminated Credit Facility"), which was set to mature in July 2012. The Revolving Credit Facility contains restrictions in areas consistent with the Terminated Credit Facility, including limitations on, among other things, distributions and dividends, acquisitions and investments, indebtedness, liens and affiliate transactions. In the aggregate, however, the restrictions in the Revolving Credit Facility provide the Company greater flexibility than those under the Terminated Credit Facility, and generally only apply in the event that the Company's availability under the Revolving Credit Facility falls below certain specific thresholds.

The Revolving Credit Facility has a term of five years and provides for a committed revolving credit line of up to \$400 million, of which \$40 million is available in a Canadian multi-currency tranche. The Revolving Credit Facility includes a springing maturity concept which is generally applicable only if its the Company's 0.875% Convertible Notes due 2013 or its \$125 million Senior Floating Rate Notes due 2015 are not repaid or refinanced within 90 days of their maturity. The commitment amount under the Revolving Credit Facility may be increased by an additional \$100 million, subject to certain conditions and approvals as set forth in the credit agreement. The Company capitalized \$4.8 million in deferred financing costs in connection with the Revolving Credit Facility in the third quarter of 2011. Also in the third quarter, the Company expensed \$1.3 million in unamortized fees and expenses related to the Terminated Credit Facility. The Revolving Credit Facility requires maintenance of a minimum fixed charge coverage ratio of one to one if availability under the Revolving Credit Facility is less than \$40 million or 10% of the then existing aggregate lender commitment under the facility. At March 30, 2012 and December 31, 2011, the Company was in compliance with all material covenants under these facilities.

The Revolving Credit Facility may be used for refinancing certain existing indebtedness and will continue to be used for working capital and general corporate purposes and is guaranteed by substantially all of the U.S. and Canadian assets (excluding certain intellectual property and Canadian real estate) of the Company and certain of its U.S. and Canadian subsidiaries and by a pledge of 65% of the equity interests of certain of the Company's foreign subsidiaries.

Borrowings under the Revolving Credit Facility bear interest based on the daily balance outstanding at an applicable rate per annum calculated quarterly and varied based on the Company's average availability as set forth in the credit agreement. The Revolving Credit Facility also carries a commitment fee equal to the available but unused borrowings multiplied by an applicable margin (varying from 0.375% to 0.50%).

The Company's Revolving Credit Facility is summarized in the table below:

(in millions)	Revolving Credit Facility	
	March 30, 2012	December 31, 2011
Outstanding borrowings	\$86.3	\$34.9
Undrawn availability	280.6	336.0
Interest rate	2.2	% 2.9
Outstanding letters of credit	\$18.9	\$20.2
Original issuance	Jul 2011	
Maturity date	Jul 2016	

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Spanish Term Loans

The table below provides a summary of the Company's term loans and corresponding fixed interest rate swaps. The proceeds from the Spanish Term Loans were used to partially fund the acquisition of Enica Biskra and for general working capital purposes. There is no remaining availability under these Spanish Term Loans.

(in millions)	Spanish Term Loans ⁽¹⁾	
	March 30, 2012	December 31, 2011
Outstanding borrowings	\$26.3	\$31.4
Fair value	26.6	32.0
Interest rate – weighted average ⁽²⁾	3.7	% 3.7

(1) The terms of the Spanish Term Loans are as follows:

(in millions)	Original Amount	Issuance Date	Maturity Date	Interest rate	Loan and Interest payable	Interest rate Swap ⁽²⁾
Term Loan 1	€20.0	Feb 2008	Feb 2013	Euribor +0.5%	Semi-annual: Aug & Feb	4.2 %
Term Loan 2	€10.0	Apr 2008	Apr 2013	Euribor +0.75%	Semi-annual: Apr & Oct	4.58 %
Term Loan 3	€21.0	Jun 2008	Jun 2013	Euribor +0.75%	Quarterly: Mar, Jun, Sept & Dec	4.48 %
Term Loan 4	€15.0	Sep 2009	Aug 2014	Euribor +2.0%	Quarterly: Mar, Jun, Sept & Dec Principal payments: Feb & Aug	1.54 %

(2) The Company entered into fixed interest rate swaps to coincide with the terms and conditions of the term loans that will effectively hedge the variable interest rate with a fixed interest rate.

At March 30, 2012 and December 31, 2011, the Company was in compliance with all material covenants under these facilities.

Europe and Mediterranean Credit Facilities

The Company's Europe and Mediterranean credit facilities are summarized in the table below:

(in millions)	Europe and Mediterranean credit facilities	
	March 30, 2012	December 31, 2011
Outstanding borrowings	\$25.7	\$27.4
Undrawn availability	116.9	108.8
Interest rate – weighted average	5.3	% 5.2
Maturity date	Various	

Europe and Mediterranean Uncommitted Accounts Receivable Facilities

The Company's Europe and Mediterranean uncommitted accounts receivable facilities are summarized in the table below:

(in millions)	Uncommitted accounts receivable facilities	
	March 30, 2012	December 31, 2011
Outstanding borrowings	\$—	\$2.1
Undrawn availability	79.3	69.2
Interest rate – weighted average	—	% 2.0
Maturity date	Various	

The Spanish Term Loans and certain credit facilities held by one of the Company's Spanish subsidiaries are subject to certain financial ratios, which include minimum net equity and net debt to EBITDA (earnings before interest, taxes, depreciation and amortization) ratios. At March 30, 2012 and December 31, 2011, the Company was in compliance with all material covenants under these facilities.

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ROW Credit Facilities

The Company's ROW credit facilities are summarized in the table below:

(in millions)	ROW credit facilities	
	March 30, 2012	December 31, 2011
Outstanding borrowings	\$134.7	\$118.0
Undrawn availability	298.6	270.1
Interest rate – weighted average	5.0	% 3.8
Maturity date	Various	

The Company's ROW credit facilities are short term loans utilized for working capital purposes. Certain credit facilities are subject to financial covenants. The Company was in compliance with all material covenants under these facilities as of March 30, 2012 and December 31, 2011.

10. Financial Instruments

The Company is exposed to various market risks, including changes in interest rates, foreign currency and raw material (commodity) prices. To manage risks associated with the volatility of these natural business exposures, the Company enters into interest rate, commodity and foreign currency derivative agreements, as well as copper and aluminum forward pricing agreements. The Company does not purchase or sell derivative instruments for trading purposes. The Company does not engage in trading activities involving derivative contracts for which a lack of marketplace quotations would necessitate the use of fair value estimation techniques.

General Cable utilizes interest rate swaps to manage its interest expense exposure by fixing its interest rate on a portion of the Company's floating rate debt. The Company does not provide or receive any collateral specifically for these contracts. The fair value of interest rate derivatives, which are designated as and qualify as cash flow hedges, are based on quoted market prices, which reflect the present values of the difference between estimated future variable-rate receipts and future fixed-rate payments.

The Company enters into commodity instruments to hedge the purchase of copper, aluminum and lead in future periods and foreign currency exchange contracts principally to hedge the currency fluctuations in certain transactions denominated in foreign currencies, thereby limiting the Company's risk that would otherwise result from changes in exchange rates. Principal transactions hedged during the year were firm sales and purchase commitments. The fair value of foreign currency contracts represents the amount required to enter into offsetting contracts with similar remaining maturities based on quoted market prices.

We account for these commodity instruments and foreign currency exchange contracts as cash flow or economic hedges. Changes in the fair value of derivatives that are designated as cash flow hedges are recorded in other comprehensive income and reclassified to the income statement when the effects of the items being hedged are realized. Changes in the fair value of economic hedges are recognized in current period earnings.

Fair Value of Derivatives Instruments

The notional amounts and fair values of derivatives designated as cash flow hedges and derivatives not designated as cash flow hedges at March 30, 2012 and December 31, 2011 are shown below (in millions).

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	March 30, 2012			December 31, 2011		
	Notional Amount	Fair Value Asset ⁽¹⁾	Liability ⁽²⁾	Notional Amount	Fair Value Asset ⁽¹⁾	Liability ⁽²⁾
Derivatives designated as cash flow hedges:						
Interest rate swaps	\$27.0	\$0.1	\$0.4	\$32.1	\$—	\$0.6
Commodity futures	135.4	4.8	4.6	216.1	3.8	14.0
Foreign currency exchanges	14.6	0.2	0.1	55.4	0.4	1.1
		\$5.1	\$5.1		\$4.2	\$15.7
Derivatives not designated as cash flow hedges:						
Commodity futures	\$200.2	\$4.1	\$6.3	\$133.0	\$2.4	\$12.6
Foreign currency exchanges	294.7	2.7	3.8	321.7	4.1	7.9
		\$6.8	\$10.1		\$6.5	\$20.5

(1) Balance recorded in "Prepaid expenses and other" and "Other non-current assets"

(2) Balance recorded in "Accrued liabilities" and "Other liabilities"

Depending on the extent of an unrealized loss position on a derivative contract held by the Company, certain counterparties may require collateral to secure the Company's derivative contract position. As of March 30, 2012, there were no contracts held by the Company that required collateral to secure the Company's derivative liability positions. At December 31, 2011, there were contracts held by the Company that required \$0.7 million in collateral to secure the Company's derivative liability positions.

For the above derivative instruments that are designated and qualify as cash flow hedges, the effective portion of the unrealized gain and loss on the derivative is reported as a component of accumulated other comprehensive income and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings, which generally occurs over periods of less than one year. Gain and loss on the derivative representing either hedge ineffectiveness or hedge components excluded from the assessment of effectiveness are recognized in current earnings.

(in millions)	Three fiscal months ended March 30, 2012			Location
	Effective Portion recognized in OCI Gain / (Loss)	Reclassified from Accumulated OCI Gain / (Loss)	Ineffective portion and amount excluded from effectiveness testing Gain / (Loss) ¹	
Derivatives designated as cash flow hedges:				
Interest rate swaps	\$0.2	\$—	\$—	Interest Expense
Commodity futures	8.4	0.7	(0.2)	Cost of Sales
Foreign currency exchanges	(0.1)	(0.6)	—	Other income / (expense)
Total	\$8.5	\$0.1	\$ (0.2)	

(in millions)	Three fiscal months ended April 1, 2011			Location
	Effective portion recognized in Accumulated OCI Gain / (Loss)	Reclassified from Accumulated OCI Gain / (Loss)	Ineffective portion and amount excluded from effectiveness testing	

Gain / (Loss)¹

Derivatives designated as cash
flow hedges:

Interest rate swap	\$ (0.4)	) \$ —	\$ (0.1)	) Interest Expense
Commodity futures	0.3	17.3	0.1	Cost of Sales
Foreign currency exchange	2.6	(0.4)	) (0.1)	) Other income /(expense)
Total	\$ 2.5	\$ 16.9	\$ (0.1))

(1) The ineffective portion and the amount excluded from effectiveness testing for all derivatives designated as cash flow hedges is recognized in other income and expense.

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For derivative instruments that are not designated as cash flow hedges, the unrealized gain or loss on the derivatives is reported in current earnings. For the three fiscal months ended March 30, 2012 and April 1, 2011, the Company recorded a gain of \$5.5 million and \$6.0 million for derivative instruments not designated as cash flow hedges in other income (expense) on the condensed consolidated statements of operations.

Other Forward Pricing Agreements

In the normal course of business, General Cable enters into forward pricing agreements for the purchase of copper and aluminum for delivery in a future month to match certain sales transactions. The Company accounts for these forward pricing arrangements under the “normal purchases and normal sales” scope exception because these arrangements are for purchases of copper and aluminum that will be delivered in quantities expected to be used by the Company over a reasonable period of time in the normal course of business. For these arrangements, it is probable at the inception and throughout the life of the arrangements that the arrangements will not settle net and will result in physical delivery of the inventory. At March 30, 2012 and December 31, 2011, the Company had \$32.0 million and \$36.3 million, respectively, of future copper and aluminum purchases that were under forward pricing agreements. At March 30, 2012 and December 31, 2011, the fair value of these arrangements was \$32.1 million and \$35.3 million, respectively, and the Company had an unrealized gain of \$0.1 million and an unrealized loss of \$1.0 million, respectively, related to these transactions. The Company believes the unrealized gains (losses) under these agreements will be largely offset as a result of firm sales price commitments with customers. Depending on the extent of the unrealized loss position on certain forward pricing agreements, certain counterparties may require collateral to secure the Company’s forward purchase agreements. There were no funds posted as collateral as of March 30, 2012 or December 31, 2011.

11. Income Taxes

During the first quarter of 2012, the Company accrued approximately \$2.6 million of income tax expense for uncertain tax positions likely to be taken in the current year and for interest and penalties on tax positions taken in prior periods, all of which would have a favorable impact on the effective tax rate, if recognized. The Company recognized a tax benefit of \$3.0 million (including penalties and interest) in the first quarter of 2012 due primarily to the expiration of statute of limitations for certain tax exposures.

The Company files income tax returns in numerous tax jurisdictions around the world. Due to uncertainties regarding the timing and outcome of various tax audits, appeals and settlements, it is difficult to reliably estimate the amount of unrecognized tax benefits that could change within the next twelve months. The Company believes it is reasonably possible that approximately \$11 million of unrecognized tax benefits could change within the next twelve months due to the resolution of tax audits and statute of limitations expiration.

Tax years that are open for examination and assessment by the Internal Revenue Service are 2007 through 2011. The IRS is currently in the process of examining the Company's 2007 - 2010 consolidated income tax returns. With limited exceptions, tax years prior to 2007 are no longer open in major foreign, state, or local tax jurisdictions.

12. Employee Benefit Plans

General Cable provides retirement benefits through contributory and noncontributory qualified and non-qualified defined benefit pension plans covering eligible domestic and international employees as well as through defined contribution plans and other postretirement benefits.

Defined Benefit Pension Plans

Benefits under General Cable’s qualified U.S. defined benefit pension plan generally are based on years of service multiplied by a specific fixed dollar amount, and benefits under the Company’s qualified non-U.S. defined benefit pension plans generally are based on years of service and a variety of other factors that can include a specific fixed dollar amount or a percentage of either current salary or average salary over a specific period of time. The amounts funded for any plan year for the qualified U.S. defined benefit pension plan are neither less than the minimum required under federal law nor more than the maximum amount deductible for federal income tax purposes. The Company’s non-qualified unfunded U.S. defined benefit pension plans include a plan that provides defined benefits to select senior management employees beyond those benefits provided by other programs. The Company’s non-qualified

unfunded non-U.S. defined benefit pension plans include plans that provide retirement indemnities to employees within the Company's European and ROW segments. Pension obligations for the majority of non-qualified unfunded defined benefit pension plans are provided for by book reserves and are based on local practices and regulations of the respective countries. The Company makes cash contributions for the costs of the non-qualified unfunded defined benefit pension plans as the benefits are paid.

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The components of net periodic benefit cost for pension benefits were as follows (in millions):

	Three Fiscal Months Ended			
	March 30, 2012		April 1, 2011	
	U.S. Plans	Non-U.S. Plans	U.S. Plans	Non-U.S. Plans
Service cost	\$0.4	\$0.8	\$0.4	\$0.8
Interest cost	1.9	1.5	2.1	1.5
Expected return on plan assets	(2.3)	(0.6)	(2.4)	(0.6)
Amortization of prior service cost	—	0.2	0.1	0.1
Amortization of net loss	2.1	0.3	1.1	0.3
Amortization of translation obligation	—	—	—	0.1
Net pension expense	\$2.1	\$2.2	\$1.3	\$2.2

Defined benefit pension plan cash contributions for the three fiscal months ended March 30, 2012 were \$1.8 million. Defined benefit pension plan cash contributions for the three fiscal months ended April 1, 2011 were \$3.0 million.

The Company expects to report a pre-tax non-cash settlement loss of \$6.0 million for the termination of a legacy pension plan in the United Kingdom stemming from the 1999 acquisition of BICC in the second quarter of 2012.

Postretirement Benefits Other Than Pensions

General Cable has postretirement benefit plans that provide medical and life insurance for certain retirees and eligible dependents. The Company funds the plans as claims or insurance premiums are incurred.

Net postretirement benefit expense included the following components (in millions):

	Three Fiscal Months Ended	
	March 30, 2012	April 1, 2011
Service cost	\$—	\$0.1
Interest cost	0.1	0.1
Net amortization and deferral	—	—
Net postretirement benefit expense	\$0.1	\$0.2

Defined Contribution Plans

Expense under both U.S. and non-U.S. defined contribution plans generally equals up to six percent of each eligible employee's covered compensation based on the location and status of the employee. The net defined contribution plan expense recognized for the three fiscal months ended March 30, 2012 was \$2.7 million. The net defined contribution plan expense recognized for the three fiscal months ended April 1, 2011 was \$2.6 million.

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13. Total Equity

General Cable is authorized to issue 200 million shares of common stock and 25 million shares of preferred stock. Condensed consolidated statements of changes in equity are presented below for the three months ended March 30, 2012 and April 1, 2011 (in millions):

	General Cable Total Equity							
	Total Equity	Preferred Stock Amount	Common Stock Amount	Add'l Paid in Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income/(Loss)	Non-controlling Interest
Balance, December 31, 2011	\$1,511.9	\$3.8	\$0.6	\$666.7	\$(136.5)	\$959.1	\$ (95.1)	\$ 113.3
Comprehensive income (loss):								
Net income (loss) including non-controlling interest	26.3					25.0		1.3
Foreign currency translation adj.	44.1						41.0	3.1
Gain (loss) defined benefit plan	—						0.1	(0.1)
Unrealized gain (loss) on financial instruments	6.0						5.9	0.1
Comprehensive income (loss)	76.4							
Preferred stock dividend	(0.1)					(0.1)		
Excess tax benefit from stock compensation	0.1			0.1				
Dividends paid to non-controlling interest	(0.6)							(0.6)
Other – Issuance pursuant to restricted stock, stock options and other	3.1			2.1	1.0			
Balance, March 30, 2012	\$1,590.8	\$3.8	\$0.6	\$668.9	\$(135.5)	\$984.0	\$ (48.1)	\$ 117.1
	General Cable Total Equity							
	Total Equity	Preferred Stock Amount	Common Stock Amount	Add'l Paid in Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income/(Loss)	Non-controlling Interest
Balance, December 31, 2010	\$1,605.3	\$3.8	\$0.6	\$652.8	\$(74.0)	\$875.3	\$ 23.5	\$ 123.3
Comprehensive income (loss):								
Net income including noncontrolling interest	39.1					38.3		0.8
Foreign currency translation adj.	43.1						43.3	(0.2)
Gain (loss) defined benefit plan	—						0.4	(0.4)
Unrealized gain (loss) on financial instruments	(14.5)						(14.5)	—
Comprehensive income (loss)	67.7							
Preferred stock dividend	(0.1)					(0.1)		
	—							

Dividends paid to non-controlling interests								
Excess tax benefit from stock compensation	0.7			0.7				
Other – Issuance pursuant to restricted stock, stock options and other	1.0			3.0	(0.7)			(1.3)
Balance, April 1, 2011	\$1,674.6	\$3.8	\$0.6	\$656.5	\$(74.7)	\$913.5	\$ 52.7	\$ 122.2

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The components of accumulated other comprehensive income (loss) as of March 30, 2012 and December 31, 2011, respectively, consisted of the following (in millions):

	March 30, 2012		December 31, 2011	
	Company common shareholders	Non-controlling interest	Company common shareholders	Non-controlling interest
Foreign currency translation adjustment	\$29.0	\$(15.2)	\$(12.0)	\$(18.3)
Pension adjustments, net of tax	(62.9)	(3.3)	(63.0)	(3.2)
Change in fair value of derivatives, net of tax	(21.8)	(0.5)	(27.7)	(0.6)
Company deferred stock held in rabbi trust, net of tax	7.3	—	7.3	—
Other	0.3	—	0.3	—
Accumulated other comprehensive income (loss)	\$(48.1)	\$(19.0)	\$(95.1)	\$(22.1)

Comprehensive income consists of the following (in millions):

	Three Fiscal Months Ended			
	March 30, 2012		April 1, 2011	
	Company common shareholders	Non-controlling interest	Company common shareholders	Non-controlling interest
Net income ⁽¹⁾	\$25.0	\$ 1.3	\$38.3	\$ 0.8
Currency translation gain (loss)	41.0	3.1	43.3	(0.2)
Change in fair value of pension plan benefit, net of tax	0.1	(0.1)	0.4	(0.4)
Change in fair value of derivatives, net of tax	5.9	0.1	(14.5)	—
Comprehensive income (loss)	\$72.0	\$ 4.4	\$67.5	\$ 0.2

(1) Net income before preferred stock dividend payments.

The Company maintains a deferred compensation plan (“Deferred Compensation Plan”) under the terms and conditions disclosed in the Company’s 2011 Annual Report on Form 10-K. The Company accounts for the Deferred Compensation Plan in accordance with ASC 710 - Compensation—General as it relates to arrangements where amounts earned are held in a rabbi trust. The market value of mutual fund investments, nonvested and subsequently vested stock and restricted stock in the rabbi trust was \$36.5 million and \$31.9 million as of March 30, 2012 and December 31, 2011, respectively. The market value of the assets held by the rabbi trust, exclusive of the market value of the shares of the Company’s nonvested and subsequently vested restricted stock, restricted stock units held in the deferred compensation plan and Company stock investments by participants’ elections, at March 30, 2012 and December 31, 2011 was \$17.1 million and \$15.2 million, respectively, and is classified as “other non-current assets” in the condensed consolidated balance sheets. Amounts payable to the plan participants at March 30, 2012 and December 31, 2011, excluding the market value of the shares of the Company’s nonvested and subsequently vested restricted stock and restricted stock units held, were \$19.1 million and \$16.9 million, respectively, and are classified as “other liabilities” in the condensed consolidated balance sheets.

14. Share-Based Compensation

General Cable has various plans that provide for granting options, restricted stock units and restricted stock to certain employees and independent directors of the Company and its subsidiaries. The Company recognizes compensation expense for share-based payments based on the fair value of the awards at the grant date. The table below summarizes compensation expense for the Company’s non-qualified stock options, non-vested stock awards, including restricted stock units, and performance-based non-vested stock awards based on the fair value method as estimated using the Black-Scholes valuation model for the three fiscal months ended March 30, 2012 and April 1, 2011 (in millions).

	Three Fiscal Months Ended	
	March 30, 2012	April 1, 2011
Non-qualified stock option expense	\$1.4	\$1.1
Non-vested stock awards expense	2.1	1.6
Total pre-tax share-based compensation expense	\$3.5	\$2.7
Excess tax benefit on share-based compensation ⁽¹⁾	\$0.1	\$0.7

(1)Cash inflows (outflows) recognized as financing activities in the condensed consolidated statements of cash flows.

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The Company records compensation expense related to non-vested stock awards as a component of selling, general and administrative expense. There have been no material changes in financial condition or operations that would affect the method or the nature of the share-based compensation recorded in the current period or the prior comparative periods.

15. Shipping and Handling Costs

All shipping and handling amounts billed to a customer in a sales transaction are classified as revenue. Shipping and handling costs associated with storage and handling of finished goods and shipments to customers are included in cost of sales and totaled \$33.3 million and \$34.0 million, respectively, for the three fiscal months ended March 30, 2012 and April 1, 2011.

16. Earnings (Loss) Per Common Share

The Company applied the two-class method of computing basic and diluted earnings (loss) per share for the three fiscal months ended March 30, 2012 and April 1, 2011. Historically and for the three fiscal months ended March 30, 2012 and April 1, 2011, the Company did not declare, pay or otherwise accrue a dividend payable to the holders of the Company's common stock or holders of unvested share-based payment awards (restricted stock). A reconciliation of the numerator and denominator of earnings (loss) per common share – basic to earnings (loss) per common share – assuming dilution is as follows (in millions, except per share data):

(in millions, except per share data)	Three Fiscal Months Ended	
	March 30, 2012	April 1, 2011
Earnings per common share – basic:		
Net income for basic EPS computation ⁽¹⁾	\$24.9	\$38.2
Weighted average shares outstanding for basic EPS computation ⁽²⁾	49.7	52.1
Earnings per common share – basic ⁽³⁾	\$0.50	\$0.73
Earnings per common share – assuming dilution:		
Net income attributable to Company common shareholders	\$24.9	\$38.2
Add: preferred stock dividends, if applicable	0.1	0.1
Net income for diluted EPS computation ⁽¹⁾	\$25.0	\$38.3
Weighted average shares outstanding including nonvested shares	49.7	52.1
Dilutive effect of convertible notes	—	1.1
Dilutive effect of stock options and restricted stock units	1.0	0.9
Dilutive effect of assumed conversion of preferred stock	0.4	0.4
Weighted average shares outstanding for diluted EPS computation ⁽²⁾	51.1	54.5
Earnings per common share – assuming dilution	\$0.49	\$0.70

(1) Numerator

(2) Denominator

(3) Under the two-class method, Earnings per share – basic reflects undistributed Earnings per share for both common stock and unvested share-based payment awards (restricted stock).

Under ASC 260 - Earnings per Share and ASC 470 - Debt and because of the Company's obligation to settle the par value of the 0.875% Convertible Notes, 1.00% Senior Convertible Notes, and the Subordinated Convertible Notes in cash, the Company is not required to include any shares underlying the 0.875% Convertible Notes, 1.00% Senior Convertible Notes and Subordinated Convertible Notes in its weighted average shares outstanding – assuming dilution until the average stock price per share for the quarter exceeds the \$50.36, \$83.93, and \$36.75 conversion price of the 0.875% Convertible Notes, 1.00% Senior Convertible Notes and the Subordinated Convertible Notes, respectively, and only to the extent of the additional shares that the Company may be required to issue in the event that the Company's conversion obligation exceeds the principal amount of the 0.875% Convertible Notes, the 1.00% Senior Convertible Notes and the Subordinated Convertible Notes.

Regarding the 0.875% Convertible Notes, the average stock price threshold conditions had not been met as of March 30, 2012. At any such time in the future that threshold conditions are met, only the number of shares issuable under the “treasury” method of accounting for the share dilution would be included in the Company’s earnings per share – assuming dilution calculation, which is based upon the amount by which the average stock price exceeds the conversion price. In addition, shares underlying the warrants will be included in the weighted average shares outstanding – assuming dilution when the average stock price per share for a quarter exceeds the \$76.00 strike price of the warrants, and shares underlying the note hedges, will not be included in the weighted average shares outstanding – assuming dilution because the impact of the shares will always be

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anti-dilutive.

The following table provides examples of how changes in the Company's stock price would require the inclusion of additional shares in the denominator of the weighted average shares outstanding – assuming dilution calculation for the 0.875% Convertible Notes. The table also reflects the impact on the number of shares that the Company would expect to issue upon concurrent settlement of the 0.875% Convertible Notes and the note hedges and warrants.

Share Price	Shares Underlying 0.875% Convertible Notes	Warrant Shares	Total Treasury Method Incremental Shares ⁽¹⁾	Shares Due to the Company under Note Hedges	Incremental Shares Issued by the Company upon Conversion ⁽²⁾
\$50.36	—	—	—	—	—
\$60.36	1,167,502	—	1,167,502	(1,167,502)	—
\$70.36	2,003,400	—	2,003,400	(2,003,400)	—
\$80.36	2,631,259	382,618	3,013,877	(2,631,259)	382,618
\$90.36	3,120,150	1,120,363	4,240,513	(3,120,150)	1,120,363
\$100.36	3,511,614	1,711,088	5,222,702	(3,511,614)	1,711,088

⁽¹⁾ Represents the number of incremental shares that must be included in the calculation of fully diluted shares under GAAP.

⁽²⁾ Represents the number of incremental shares to be issued by the Company upon conversion of the 0.875% Convertible Notes, assuming concurrent settlement of the note hedges and warrants.

Regarding the 1.00% Senior Convertible Notes, the average stock price threshold conditions had not been met as of March 30, 2012. At any such time in the future that threshold conditions are met, only the number of shares issuable under the "treasury" method of accounting for the share dilution would be included in the Company's earnings per share – assuming dilution calculation, which is based upon the amount by which the average stock price exceeds the conversion price.

The following table provides examples of how changes in the Company's stock price would require the inclusion of additional shares in the denominator of the weighted average shares outstanding – assuming dilution calculation for the 1.00% Senior Convertible Notes.

Share Price	Shares Underlying 1.00% Senior Convertible Notes	Total Treasury Method Incremental Shares ⁽¹⁾
\$83.93	—	—
\$93.93	13,425	13,425
\$103.93	24,271	24,271
\$113.93	33,213	33,213
\$123.93	40,712	40,712
\$133.93	47,091	47,091

⁽¹⁾ Represents the number of incremental shares that must be included in the calculation of fully diluted shares under GAAP.

Regarding the Subordinated Convertible Notes, the average stock price threshold conditions had not been met as of March 30, 2012. The average stock price threshold conditions had been met as of April 1, 2011 and 1.1 million shares that were considered issuable under the "treasury" method of accounting for the share dilution have been included in

the Company's earnings per share calculation based upon the amount by which the first quarter 2011 average stock price of \$40.42 exceeded the conversion price. At any such time in the future that threshold conditions are met, only the number of shares issuable under the "treasury" method of accounting for the share dilution would be included in the Company's earnings per share – assuming dilution calculation, which is based upon the amount by which the average stock price exceeds the conversion price.

The following table provides examples of how changes in the Company's stock price would require the inclusion of additional shares in the denominator of the weighted average shares outstanding – assuming dilution calculation for the Subordinated Convertible Notes.

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Share Price	Shares Underlying Subordinated Convertible Notes	Total Treasury Method Incremental Shares ⁽¹⁾
\$36.75	—	—
\$38.75	603,152	603,152
\$40.75	1,147,099	1,147,099
\$42.75	1,640,151	1,640,151
\$44.75	2,089,131	2,089,131

⁽¹⁾ Represents the number of incremental shares that must be included in the calculation of fully diluted shares under GAAP.

17. Segment Information

The Company conducts its operations through three geographic operating segments – North America, Europe and Mediterranean, and ROW, which consists of operations in Latin America, Sub-Saharan Africa, Middle East and Asia Pacific. The Company’s operating segments align with the structure of the Company’s internal management organization. All three segments engage in the development, design, manufacturing, marketing and distribution of copper, aluminum, and fiber optic communication, electric utility and electrical infrastructure wire and cable products. In addition to the above products, the Europe and Mediterranean and ROW segments develop, design, manufacture, market and distribute construction products and the ROW segment manufactures and distributes rod mill wire and cable products.

Net revenues as shown below represent sales to external customers for each segment. Intersegment sales have been eliminated. For the three months ended March 30, 2012 and April 1, 2011, intersegment sales in North America were immaterial. In Europe and Mediterranean, intersegment sales were \$6.2 million and in ROW, intersegment sales were \$8.8 million for the three months ended March 30, 2012, respectively. In Europe and Mediterranean, intersegment sales were \$5.4 million and in ROW, intersegment sales were \$9.4 million for the three months ended April 1, 2011, respectively. The chief operating decision maker evaluates segment performance and allocates resources based on segment operating income. Segment operating income represents income from continuing operations before interest income, interest expense, other income (expense), other financial costs and income tax. Where applicable, “Corporate” generally includes corporate activity, eliminations and assets such as: cash, deferred income taxes, and certain property, including property held for sale, prepaid expenses and other certain current and non-current assets. Summarized financial information for the Company’s reportable segments for the three fiscal months ended March 30, 2012 and April 1, 2011 is as follows:

(in millions)	Three Fiscal Months Ended	
	March 30, 2012	April 1, 2011
Net sales:		
North America	\$541.2	\$541.8
Europe and Mediterranean	415.1	423.1
ROW	476.2	482.7
Total	\$1,432.5	\$1,447.6
Segment Operating Income:		
North America	\$30.4	\$35.5
Europe and Mediterranean	4.5	13.5
ROW	18.5	24.1
Total	\$53.4	\$73.1
(in millions)	March 30, 2012	

		December 31, 2011
Total Assets:		
North America	\$813.6	\$791.4
Europe and Mediterranean	1,487.7	1,435.2
ROW	1,935.8	1,908.4
Corporate	289.0	235.4
Total	\$4,526.1	\$4,370.4

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18. Commitments and Contingencies

Certain present and former operating sites, or portions thereof, currently or previously owned or leased by current or former operating units are the subject of investigations, monitoring or remediation under the United States Federal Comprehensive Environmental Response, Compensation and Liability Act (CERCLA or Superfund), the Federal Resource Conservation and Recovery Act or comparable state statutes or agreements with third parties. These proceedings are in various stages ranging from initial investigations to active settlement negotiations to implementation of the cleanup or remediation of sites.

Certain present and former operating units in the United States have been named as potentially responsible parties (PRPs) at several off-site disposal sites under CERCLA or comparable state statutes in federal court proceedings. In each of these matters, the operating unit is working with the governmental agencies involved and other PRPs to address environmental claims in a responsible and appropriate manner.

At March 30, 2012 and December 31, 2011, the Company had an accrued liability of approximately \$1.8 million and \$1.9 million, respectively, for various environmental-related liabilities to the extent costs are known or can be reasonably estimated as its liability. American Premier Underwriters Inc., a former parent of the Company, agreed to indemnify the Company against all environmental-related liabilities arising out of the Company's or its predecessors' ownership or operation of the Indiana Steel & Wire Company and Marathon Manufacturing Holdings, Inc. businesses (which were divested by the Company), without limitation as to time or amount. While it is difficult to estimate future environmental-related liabilities accurately, the Company does not currently anticipate any material adverse impact on its results of operations, financial position or cash flows as a result of compliance with federal, state, local or foreign environmental laws or regulations or cleanup costs of the sites discussed above.

General Cable has also agreed to indemnify Southwire Company against certain environmental liabilities arising out of the operation of the business it sold to Southwire prior to its sale. The indemnity is for a ten year period from the closing of the sale, which ended in the fourth quarter of 2011, and is subject to an overall limit of \$20 million. At this time, there are no claims outstanding under this indemnity.

As part of the acquisition of Silec Cable, S.A.S ("Silec"), which was acquired in December 2005, SAFRAN SA agreed to indemnify General Cable against environmental losses arising from breach of representations and warranties on environmental law compliance and against losses arising from costs General Cable could incur to remediate property acquired based on a directive of the French authorities to rehabilitate property in regard to soil, water and other underground contamination arising before the closing date of the purchase. These indemnities were for a six-year period ended in 2011 while General Cable operated the businesses subject to sharing of certain losses (with SAFRAN covering 100% of losses in year one, 75% in years two and three, 50% in year four, and 25% in years five and six). The indemnities were subject to an overall limit of 4.0 million euros. As of March 30, 2012 and December 31, 2011, there were no claims outstanding under this indemnity. In addition, SAFRAN SA agreed to indemnify the Company for the full amount of losses arising from, related to or attributable to practices, if any, that are similar to previous practices investigated by the French competition authority for alleged competition law violations related to medium and high voltage cable markets. The Company has asserted a claim under this indemnity against SAFRAN SA related to the European Commission's Statement of Objections, which is described in more detail below, to preserve our rights should an unfavorable outcome occur.

In 2007, the Company acquired the worldwide wire and cable business of Freeport-McMoRan Copper and Gold Inc., which operates as PDIC. As part of this acquisition, the seller agreed to indemnify the Company for certain environmental liabilities existing on the purchase closing. The seller's obligation to indemnify the Company for these particular liabilities generally survived four years from the date the parties executed the definitive purchase agreement unless the Company has properly notified the seller before the expiry of the four year period. The seller also made

certain representations and warranties related to environmental matters and the acquired business and agreed to indemnify the Company for breaches of those representation and warranties for a period of four years from the closing date. No indemnification claims for breach of representations and warranties were made during the indemnity period for the transaction.

In addition, Company subsidiaries have been named as defendants in lawsuits alleging exposure to asbestos in products manufactured by the Company. As of March 30, 2012, the Company was a defendant in approximately 624 non-maritime cases and 28,438 maritime cases brought in various jurisdictions throughout the United States. As of March 30, 2012 and December 31, 2011, the Company had accrued, on a gross basis, approximately \$5.1 million, and as of March 30, 2012 and December 31, 2011 had recovered approximately \$0.5 million and \$0.6 million of insurance recoveries for these lawsuits, respectively. The Company does not believe that the outcome of the litigation will have a material adverse effect on its condensed consolidated results of operations, financial position or cash flows.

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On July 5, 2011, the European Commission issued a Statement of Objections in relation to its ongoing competition investigation to a number of wire and cable manufacturers in the submarine and underground power cables business, including the Company's Spanish affiliate and its subsidiary, Silec. The allegations related to Silec are for the eleven months following its acquisition by our Spanish affiliate, for which we have filed a claim for indemnification from Safran to preserve our rights should an unfavorable outcome occur. A Statement of Objections is a procedural document in which the European Commission communicates its preliminary views in regard to possible infringement of European competition law and allows the companies identified in the Statement of Objections to present procedural and substantive arguments in response before a final decision is made. Any unfavorable decision by the European Commission is subject to appeal. The Statement of Objections issued to the Company alleges that two affiliates in Europe engaged in violations of competition law in the underground power cables businesses for a limited period of time. The Company has responded to the Statement of Objections on October 28, 2011 and intends to continue to vigorously defend itself against the allegations in the course of future proceedings with the European Commission on the Statement of Objections.

The European Commission has significant discretion in assessing fines and the Statement of Objections has only provided limited guidance on how it could potentially assess fines on each of the named wire and cable companies alleged to have violated applicable competition laws. At this time, the Company believes that it has substantial defenses to the allegations contained in the Statement of Objections. However, if our defenses are ultimately not successful, the Company could be assessed fines, which if imposed, could be substantial and may have a material impact on its consolidated financial results. While the Company continues to incur legal and associated costs in this matter, it is unable, at this time, to estimate the range of loss, if any, that may result as an outcome of these proceedings.

During the fourth quarter of 2011, the Company became aware of a potential claim involving multiple parties regarding the failure of a newly installed transformer in France, which was manufactured and installed by an independent third party, at a customer's hydroelectric plant. The Company supplied and installed cables and terminations to the transformer, which failed as it was being energized. The transformer was significantly damaged and the customer is alleging losses consisting of damage to the transformer and consequential damages due to its inability to operate the facility. The customer retained a court appointed technical expert to review the evidence to determine the root cause of the transformer failure and to allocate liability to the parties found responsible for such losses. The investigation is ongoing at this time and the Company believes it has substantial defenses to potential liability in regard to the transformer failure. At this time, the Company is unable to predict with any certainty an estimated range of damages or whether it will have liability, if any, attributable to the transformer failure. In March 2012, the Company received formal notice of a claim for damages arising from a transformer fire that occurred in December 2010 allegedly resulting in loss of equipment and some consequential damages at a metal processing facility in Iceland. The Company supplied and installed cables and terminations to the transformer, which was manufactured and installed by an independent third party, during 2006 and the first quarter of 2007. The Company's work was inspected and accepted by the customer in March 2007. The Company believes it has substantial defenses to potential liability in regard to the transformer fire and claimed loss. At this time, the Company is unable to predict with any certainty an estimated range of damages or whether it will have any liability, if any, attributable to the transformer fire.

One of the Company's Brazilian subsidiaries is involved in an administrative proceeding with a state treasury office regarding whether tax incentives granted to the Company by one Brazilian state are applicable to goods sold in another Brazilian state from September 2008 to December 31, 2009. The Company believes it correctly relied on the tax incentives granted and that it has substantial defenses to their disallowance by the Brazilian state claimant. The principal amount claimed to be due during the contested period is approximately \$8 million which does not include penalties and interest which could be substantial.

The Company is also involved in various routine legal proceedings and administrative actions. Such proceedings and actions should not, individually or in the aggregate, have a material adverse effect on its result of operations, cash flows or financial position.

In Europe and Mediterranean as it relates to the 2005 purchase of shares of Silec, the Company has pledged to the bank the following: Silec shares, segment assets such as land and buildings and certain General Cable entities in Spain and Portugal have been designated as guarantors.

The Company has entered into various operating lease agreements related principally to certain administrative, manufacturing and distribution facilities and transportation equipment. At March 30, 2012, future minimum rental payments required under non-cancelable lease agreement during twelve month periods beginning March 30, 2012 through March 30, 2017 are \$34.1 million, \$32.1 million, \$27.8 million, \$24.2 million and \$22.6 million, respectively, and \$18.9 million thereafter.

As of March 30, 2012, the Company had \$57.5 million in letters of credit, \$281.4 million in various performance bonds and \$238.9 million in other guarantees. Other guarantees include bank guarantees and advance payment bonds. These letters of

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credit, performance bonds and guarantees are periodically renewed and are generally related to risk associated with self-insurance claims, defined benefit plan obligations, contract performance, quality and other various bank and financing guarantees. Advance payment bonds are often required by customers when we obtain advance payments to secure the production of cable for long term contracts. The advance payment bonds provide the customer protection on their deposit in the event that the Company does not perform under the contract. See “Liquidity and Capital Resources” for excess availability under the Company’s various credit borrowings.

19. Unconsolidated Affiliated Companies

Unconsolidated affiliated companies are those in which the Company generally owns less than 50 percent of the outstanding voting shares. The Company does not control these companies and accounts for its investments in them on the equity basis. The unconsolidated affiliated companies primarily manufacture or market wire and cable products in our ROW segment. The Company’s share of the income of these companies is reported in the condensed consolidated statements of operations under “Equity in earnings of affiliated companies.” For the three fiscal months ended March 30, 2012, equity in earnings of affiliated companies was immaterial. For the three fiscal months ended April 1, 2011, equity in earnings of affiliated companies was \$0.4 million. The net investment in unconsolidated affiliated companies was \$18.8 million and \$18.6 million as of March 30, 2012 and December 31, 2011, respectively. As of March 30, 2012, the Company’s ownership percentage was as follows: PDTL Trading Company Ltd. 49%, Colada Continua Chilean, S.A. 41%, Minuet Realty Corp. 40%, Nostag GmbH & Co. KG 33%, Pakistan Cables Limited 24.6%, Keystone Electric Wire & Cable Co., Ltd. 20% and Thai Copper Rod Company Ltd. 18%.

20. Fair Value Disclosure

The fair market values of the Company’s financial instruments are determined based on the fair value hierarchy as discussed in ASC 820 - Fair Value Measurements which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs that may be used to measure fair values are as follows:

Level 1 – Quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities include debt and equity securities that are traded in an active exchange market.

Level 2 – Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques for which the determination of fair value requires significant management judgment or estimation.

The Company carries derivative assets and liabilities (Level 2) and marketable equity securities (Level 1) held in the rabbi trust as part of the Company’s Deferred Compensation Plan at fair value. The fair values of derivative assets and liabilities traded in the over-the-counter market are determined using quantitative models that require the use of multiple market inputs including interest rates, prices and indices to generate pricing and volatility factors, which are used to value the position. The predominance of market inputs are actively quoted and can be validated through external sources, including brokers, market transactions and third-party pricing services. Marketable equity securities are recorded at fair value, which are based on quoted market prices.

Financial assets and liabilities measured at fair value on a recurring basis are summarized below (in millions).

	Fair Value Measurement				December 31, 2011			
	March 30, 2012							
	Level 1	Level 2	Level 3	Fair Value	Level 1	Level 2	Level 3	Fair Value
Assets:								
Derivative assets	\$—	\$11.9	\$—	\$11.9	\$—	\$10.7	\$—	\$10.7

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Equity securities	17.1	—	—	17.1	15.2	—	—	15.2
Total assets	\$17.1	\$11.9	\$—	\$29.0	\$15.2	\$10.7	\$—	\$25.9
Liabilities								
Derivative liabilities	\$—	\$15.2	\$—	\$15.2	\$—	\$36.2	\$—	\$36.2
Total liabilities	\$—	\$15.2	\$—	\$15.2	\$—	\$36.2	\$—	\$36.2

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At March 30, 2012, there were no financial assets or financial liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3). Similarly, there were no nonfinancial assets or nonfinancial liabilities measured at fair value on a non-recurring basis.

There were also no significant transfers in and out of Level 1 and Level 2 fair value measurements to be disclosed.

The fair value of the Company's long-term debt, as noted in Note 9, was estimated using quoted market prices where available. For long-term debt not actively traded, fair values were based on valuations from third-party banks and market quotations for similar types of borrowing arrangements. If the Company's long-term debt was measured at fair value, it would have been categorized as Level 2 in the fair value hierarchy.

21. Supplemental Guarantor and Parent Company Condensed Financial Information

General Cable Corporation ("Parent Company") and its U.S. and Canadian 100% owned subsidiaries ("Guarantor Subsidiaries") fully and unconditionally guarantee the \$10.6 million of 1.00% Senior Convertible Notes, the \$355.0 million of 0.875% Convertible Notes, the \$200 million of 7.125% Senior Notes due in 2017 and the \$125 million of Senior Floating Rate Notes due in 2015 of the Parent Company on a joint and several basis. The following tables present financial information about the Parent Company, Guarantor Subsidiaries and non-guarantor subsidiaries in millions. Intercompany transactions are eliminated.

Condensed Statements of Operations and Comprehensive Income (Loss)

Three fiscal months ended March 30, 2012

	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Net sales:					
Customers	\$—	\$531.3	\$901.2	\$—	\$1,432.5
Intercompany	7.3	—	11.6	(18.9)) —
	7.3	531.3	912.8	(18.9)	) 1,432.5
Cost of sales	—	465.8	831.1	(11.6)	) 1,285.3
Gross profit	7.3	65.5	81.7	(7.3)	) 147.2
Selling, general and administrative expenses	11.7	31.2	58.2	(7.3)	) 93.8
Operating income	(4.4)	) 34.3	23.5	—	53.4
Other expense	—	0.4	6.4	—	6.8
Interest income (expense):					
Interest expense	(15.8)	) (23.1)	) (11.2)	) 25.4	(24.7)
Interest income	22.0	3.2	1.9	(25.4)	) 1.7
	6.2	(19.9)	) (9.3)	) —	(23.0)
Income before income taxes	1.8	14.8	20.6	—	37.2
Income tax provision	(0.8)	) (7.2)	) (2.9)	) —	(10.9)
Equity in net income of subsidiaries and affiliated companies	24.0	16.4	—	(40.4)) —
Net income including noncontrolling interest	25.0	24.0	17.7	(40.4)	) 26.3
Less: preferred stock dividends	0.1	—	—	—	0.1
Less: net income attributable to noncontrolling interest	—	—	1.3	—	1.3
Net income attributable to Company common shareholders	\$24.9	\$24.0	\$16.4	\$(40.4)) \$24.9
Comprehensive income (loss)	\$25.7	\$25.8	\$65.3	\$(40.4)) \$76.4

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Three fiscal months ended April 1, 2011

	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Net sales:					
Customers	\$—	\$528.4	\$ 919.2	\$—	\$1,447.6
Intercompany	14.2	—	11.1	(25.3)) —
	14.2	528.4	930.3	(25.3)	) 1,447.6
Cost of sales	—	458.9	832.8	(11.1)	) 1,280.6
Gross profit	14.2	69.5	97.5	(14.2)	) 167.0
Selling, general and administrative expenses	11.3	37.5	59.3	(14.2)	) 93.9
Operating income	2.9	32.0	38.2	—	73.1
Other income (expense)	—	1.0	6.0	—	7.0
Interest income (expense):					
Interest expense	(15.7)	) (20.1)	) (10.7)	) 22.5	(24.0)
Interest income	19.5	2.9	2.1	(22.5)	) 2.0
	3.8	(17.2)	) (8.6)	) —	(22.0)
Income (loss) before income taxes	6.7	15.8	35.6	—	58.1
Income tax provision	(2.5)	) (7.6)	) (9.3)	) —	(19.4)
Equity in net income of subsidiaries	34.1	25.9	—	(59.6)	) 0.4
Net income including noncontrolling interest	38.3	34.1	26.3	(59.6)	) 39.1
Less: preferred stock dividends	0.1	—	—	—	0.1
Less: net income attributable to noncontrolling interest	—	—	0.8	—	0.8
Net income applicable to Company common shareholders	\$38.2	\$34.1	\$ 25.5	\$(59.6)) \$38.2
Comprehensive income (loss)	\$39.4	\$53.4	\$ 34.5	\$(59.6)) \$67.7

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March 30, 2012

	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Assets					
Current assets:					
Cash and cash equivalents	\$0.1	\$ 18.6	\$ 408.4	\$—	\$427.1
Receivables, net of allowances	—	295.8	887.1	—	1,182.9
Inventories, net	—	459.2	808.6	—	1,267.8
Deferred income taxes	—	23.8	10.3	—	34.1
Prepaid expenses and other	1.8	25.0	77.2	—	104.0
Total current assets	1.9	822.4	2,191.6	—	3,015.9
Property, plant and equipment, net	0.4	182.9	868.0	—	1,051.3
Deferred income taxes	—	1.9	22.9	—	24.8
Intercompany accounts	1,227.4	377.3	39.4	(1,644.1)	—
Investment in subsidiaries	1,217.4	1,455.6	—	(2,673.0)	—
Goodwill	—	0.8	166.5	—	167.3
Intangible assets, net	—	3.3	178.2	—	181.5
Unconsolidated affiliated companies	—	12.8	6.0	—	18.8
Other non-current assets	7.7	25.4	33.4	—	66.5
Total assets	\$2,454.8	\$2,882.4	\$ 3,506.0	\$(4,317.1)	\$4,526.1
Liabilities and Total Equity					
Current liabilities:					
Accounts payable	\$—	\$ 130.0	\$ 807.7	\$—	\$937.7
Accrued liabilities	8.4	83.9	334.9	—	427.2
Current portion of long-term debt	10.3	—	159.6	—	169.9
Total current liabilities	18.7	213.9	1,302.2	—	1,534.8
Long-term debt	818.7	86.3	39.7	—	944.7
Deferred income taxes	143.7	(16.3)	79.4	—	206.8
Intercompany accounts	—	1,266.8	377.3	(1,644.1)	—
Other liabilities	—	114.3	134.7	—	249.0
Total liabilities	981.1	1,665.0	1,933.3	(1,644.1)	2,935.3
Total Company shareholders' equity	1,473.7	1,217.4	1,455.6	(2,673.0)	1,473.7
Noncontrolling interest	—	—	117.1	—	117.1
Total liabilities and equity	\$2,454.8	\$2,882.4	\$ 3,506.0	\$(4,317.1)	\$4,526.1

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December 31, 2011

	Parent	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Eliminations	Total
Assets					
Current assets:					
Cash	\$0.1	\$12.4	\$421.6	\$—	\$434.1
Receivables, net of allowances	—	247.0	833.9	—	1,080.9
Inventories	—	436.3	792.4	—	1,228.7
Deferred income taxes	—	25.4			