

PULSE ELECTRONICS CORP
Form 10-Q
November 09, 2011

UNITED STATES
SECURITIES & EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

The Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended September 30, 2011, or

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

Commission File No. 1-5375

PULSE ELECTRONICS CORPORATION
(Exact name of registrant as specified in its Charter)

PENNSYLVANIA
(State or other jurisdiction of incorporation or
organization)

23-1292472
(IRS Employer Identification Number)

12220 World Trade Drive
San Diego, CA
(Address of principal executive offices)

92128
(Zip Code)

Registrant's telephone number, including area code:

858-674-8100

Former name of registrant:

Technitrol, Inc.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to the filing requirements for at least the past 90 days.

Yes No

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

Yes No

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

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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 November 9, 2011:
41,658,415

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PART I. FINANCIAL INFORMATION

Item 1: Financial Statements

Pulse Electronics Corporation and Subsidiaries
Consolidated Balance Sheets(Unaudited)
In thousands

Assets	September 30, 2011 (Unaudited)	December 31, 2010
Current assets:		
Cash and cash equivalents	\$ 16,404	\$ 35,905
Accounts receivable, net	59,317	65,532
Inventory	37,154	35,741
Prepaid expenses and other current assets	19,577	14,804
Total current assets	132,452	151,982
Long-term assets:		
Property, plant and equipment	111,882	113,137
Less accumulated depreciation	80,434	82,456
Net property, plant and equipment	31,448	30,681
Deferred income taxes	29,632	33,669
Intangibles assets, net	4,589	5,657
Other assets	2,119	2,610
	\$ 200,240	\$ 224,599
Liabilities and Equity		
Current liabilities:		
Accounts payable	\$ 48,093	\$ 46,102
Accrued expenses and other current liabilities	42,554	54,602
Total current liabilities	90,647	100,704
Long-term liabilities:		
Long-term debt	32,950	32,150
Convertible senior notes	50,000	50,000
Deferred income taxes	9,382	8,890
Other long-term liabilities	8,775	10,081
Equity:		
Pulse Electronics Corporation shareholders' equity:		
Common stock and additional paid-in capital	218,152	219,393
Retained loss	(242,730)	(232,660)
Accumulated other comprehensive earnings	25,547	23,993
Total Pulse Electronics Corporation shareholders' equity	969	10,726
Non-controlling interest	7,517	12,048
Total equity	8,486	22,774

\$ 200,240 \$ 224,599

See accompanying Notes to Unaudited Consolidated Financial Statements.

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Pulse Electronics Corporation and Subsidiaries
 Consolidated Statements of Operations
 (Unaudited)

In thousands, except per share data

	Three Months Ended		Nine Months Ended	
	September 30, 2011	October 1, 2010	September 30, 2011	October 1, 2010
Net sales	\$ 96,014	\$ 121,963	\$ 278,811	\$ 331,296
Cost of sales	73,913	88,895	215,913	247,768
Gross profit	22,101	33,068	62,898	83,528
Selling, general and administrative expenses	19,798	25,014	62,594	72,401
Severance, impairment and other associated costs	2,968	--	13,591	31,094
Cost related to unsolicited takeover attempt	--			