

RBC Bearings INC
Form 10-Q
August 07, 2008

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended June 28, 2008

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: 333-124824

RBC Bearings Incorporated

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

95-4372080
(I.R.S. Employer Identification No.)

One Tribology Center
Oxford, CT
(Address of principal executive offices)

06478
(Zip Code)

(203) 267-7001
(Registrant's telephone number, including area code)

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

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company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of July 30, 2008, RBC Bearings Incorporated had 21,783,686 shares of Common Stock outstanding.

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RBC Bearings Incorporated
Consolidated Balance Sheets
(dollars in thousands, except share and per share data)

ASSETS	June 28, 2008 (Unaudited)	March 29, 2008
Current assets:		
Cash	\$ 13,397	\$ 9,859
Accounts receivable, net of allowance for doubtful accounts of \$1,100 at June 28, 2008 and \$1,018 at March 29, 2008	64,044	66,137
Inventory	129,549	123,820
Deferred income taxes	4,793	5,567
Prepaid expenses and other current assets	6,330	9,976
Total current assets	218,113	215,359
Property, plant and equipment, net	76,729	73,243
Goodwill	32,488	31,821
Intangible assets, net of accumulated amortization of \$3,957 at June 28, 2008 and \$3,583 at March 29, 2008	13,090	11,404
Other assets	4,941	5,285
Total assets	\$ 345,361	\$ 337,112
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 26,308	\$ 24,851
Accrued expenses and other current liabilities	15,336	13,489
Current portion of long-term debt	750	750
Total current liabilities	42,394	39,090
Long-term debt, less current portion	50,500	57,000
Deferred income taxes	6,367	6,064
Other non-current liabilities	11,554	11,048
Total liabilities	110,815	113,202
Stockholders' equity:		
Preferred stock, \$.01 par value; authorized shares: 10,000,000 at June 28, 2008 and March 29, 2008; none issued and outstanding	—	—
Common stock, \$.01 par value; authorized shares: 60,000,000 at June 28, 2008 and March 29, 2008; issued and outstanding shares: 21,782,186 shares at June 28, 2008 and March 29, 2008, respectively	218	218
Additional paid-in capital	184,837	184,285
Accumulated other comprehensive income	1,058	1,312
Retained earnings	52,371	41,688
Treasury stock, at cost, 123,553 shares at June 28, 2008 and 113,322 shares at March 29, 2008	(3,938)	(3,593)
Total stockholders' equity	234,546	223,910
Total liabilities and stockholders' equity	\$ 345,361	\$ 337,112

See accompanying notes.

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RBC Bearings Incorporated
Consolidated Statements of Operations
(dollars in thousands, except share and per share data)
(Unaudited)

	Three Months Ended	
	June 28, 2008	June 30, 2007
Net sales	\$ 92,380	\$ 79,823
Cost of sales	61,825	52,378
Gross margin	30,555	27,445
Operating expenses:		
Selling, general and administrative	13,127	11,302
Other, net	382	362
Total operating expenses	13,509	11,664
Operating income	17,046	15,781
Interest expense, net	681	980
Loss on early extinguishment of debt	319	—
Other non-operating income	(83)	(114)
Income before income taxes	16,129	14,915
Provision for income taxes	5,446	5,090
Net income	\$ 10,683	\$ 9,825
Net income per common share:		
Basic	\$ 0.50	\$ 0.46
Diluted	\$ 0.49	\$ 0.45
Weighted average common shares:		
Basic	21,561,375	21,377,482
Diluted	21,782,020	21,882,470

See accompanying notes.

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RBC Bearings Incorporated
Consolidated Statements of Cash Flows