

CIRCOR INTERNATIONAL INC  
Form 10-Q  
August 02, 2012

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 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 July 1, 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 001-14962

CIRCOR INTERNATIONAL, INC.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or Other Jurisdiction of  
Incorporation or Organization) 04-3477276  
(I.R.S. Employer  
Identification No.)

c/o CIRCOR, Inc.  
30 Corporate Drive, Suite 200, Burlington, MA  
(Address of principal executive offices) 01803-4238  
(781) 270-1200  
(Zip Code)  
(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 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, 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.

Large accelerated filer  Accelerated filer   
Non-accelerated filer  (Do not check if a smaller reporting company) 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

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As of July 27, 2012, there were 17,405,140 shares of the Registrant's Common Stock, par value \$0.01 per share, outstanding.

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PART I FINANCIAL INFORMATION.  
 ITEM 1. FINANCIAL STATEMENTS  
 CIRCOR INTERNATIONAL, INC.  
 CONSOLIDATED BALANCE SHEETS  
 (In thousands, except per share data)

	July 1, 2012 (Unaudited)	December 31, 2011
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$41,414	\$54,855
Short-term investments	98	99
Trade accounts receivable, less allowance for doubtful accounts of \$1,231 and \$1,127, respectively	160,012	156,075
Inventories	206,247	203,777
Prepaid expenses and other current assets	15,498	12,376
Deferred income tax asset	15,623	16,320
Assets held for sale	542	542
<b>Total Current Assets</b>	<b>439,434</b>	<b>444,044</b>
<b>PROPERTY, PLANT AND EQUIPMENT, NET</b>	<b>105,252</b>	<b>104,434</b>
<b>OTHER ASSETS:</b>		
Goodwill	76,285	77,829
Intangibles, net	55,974	58,442
Deferred income tax asset	25,381	27,949
Other assets	10,051	9,825
<b>TOTAL ASSETS</b>	<b>\$712,377</b>	<b>\$722,523</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$93,625	\$92,493
Accrued expenses and other current liabilities	55,269	63,386
Accrued compensation and benefits	22,154	24,328
Asbestos liability	0	1,000
Income taxes payable	3,018	5,553
Notes payable and current portion of long-term debt	6,366	8,796
<b>Total Current Liabilities</b>	<b>180,432</b>	<b>195,556</b>
<b>LONG-TERM DEBT, NET OF CURRENT PORTION</b>	<b>89,522</b>	<b>96,327</b>
<b>DEFERRED INCOME TAXES</b>	<b>10,618</b>	<b>11,284</b>
<b>OTHER NON-CURRENT LIABILITIES</b>	<b>33,848</b>	<b>35,271</b>
<b>CONTINGENCIES AND COMMITMENTS (See Note 10)</b>		
<b>SHAREHOLDERS' EQUITY:</b>		
Preferred stock, \$0.01 par value; 1,000,000 shares authorized; no shares issued and outstanding	0	0
Common stock, \$0.01 par value; 29,000,000 shares authorized; 17,405,140 and 17,268,212 shares issued and outstanding at July 1, 2012 and December 31, 2011, respectively	174	173
Additional paid-in capital	260,556	258,209
Retained earnings	148,765	130,373
Accumulated other comprehensive loss	(11,538)	(4,670)
<b>Total Shareholders' Equity</b>	<b>397,957</b>	<b>384,085</b>

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$712,377	\$722,523
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The accompanying notes are an integral part of these unaudited consolidated financial statements.

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CIRCOR INTERNATIONAL, INC.  
 CONSOLIDATED STATEMENTS OF INCOME  
 (In thousands, except per share data)  
 (Unaudited)

	Three Months Ended		Six Months Ended	
	July 1, 2012	July 3, 2011	July 1, 2012	July 3, 2011
Net revenues	\$219,862	\$191,908	\$434,142	\$395,278
Cost of revenues	156,046	137,302	311,714	284,444
GROSS PROFIT	63,816	54,606	122,428	110,834
Selling, general and administrative expenses	45,337	42,180	90,249	84,635
Leslie asbestos and bankruptcy (recoveries) charges, net	0	(124	) 0	877
OPERATING INCOME	18,479	12,550	32,179	25,322
Other (income) expense:				
Interest income	(78	) (54	) (161	) (97
Interest expense	1,095			