

Vishay Precision Group, Inc.
Form 10-Q
August 07, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

(Mark One)

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

For the quarterly period ended **June 29, 2013**

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 **1-34679**

VISHAY PRECISION GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or Other Jurisdiction of Incorporation)

27-0986328

(I.R.S. Employer Identification Number)

3 Great Valley Parkway, Suite 150

Malvern, PA 19355

(Address of Principal Executive Offices) (Zip Code)

484-321-5300

(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 (section 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. (Check one):

Large accelerated filer

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

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

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As of August 7, 2013, the registrant had 12,449,355 shares of its common stock and 1,025,176 shares of its Class B convertible common stock outstanding.

VISHAY PRECISION GROUP, INC.
FORM 10-Q
June 29, 2013

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements**VISHAY PRECISION GROUP, INC.**

Consolidated Condensed Balance Sheets

(In thousands)

	June 29, 2013 <i>(Unaudited)</i>	December 31, 2012
Assets		
Current assets:		
Cash and cash equivalents	\$ 68,156	\$ 93,881
Accounts receivable, net	37,773	28,766
Inventories:		
Raw materials	15,915	14,204
Work in process	20,323	13,696
Finished goods	19,684	21,489
Inventories, net	55,922	49,389
Deferred income taxes	2,705	4,258
Prepaid expenses and other current assets	11,857	9,572
Total current assets	176,413	185,866
Property and equipment, at cost:		
Land	1,939	2,023
Buildings and improvements	46,905	47,627
Machinery and equipment	73,525	75,783
Software	5,563	5,427
Construction in progress	1,200	1,788
Accumulated depreciation	(79,823)	(80,556)
Property and equipment, net	49,309	52,092
Goodwill	18,291	-
Intangible assets, net	24,285	8,009
Other assets	19,406	17,206
Total assets	\$ 287,704	\$ 263,173

Continues on the following page.

VISHAY PRECISION GROUP, INC.

Consolidated Condensed Balance Sheets (continued)

(In thousands)

	June 29, 2013	December 31, 2012
	<i>(Unaudited)</i>	
Liabilities and equity		
Current liabilities:		
Trade accounts payable	\$ 9,287	\$ 9,190
Payroll and related expenses	13,654	12,831
Other accrued expenses	15,007	8,499
Income taxes	404	1,425
Current portion of long-term debt	3,647	167
Total current liabilities	41,999	32,112
Long-term debt, less current portion	30,936	11,154
Deferred income taxes	1,814	1,831
Other liabilities	7,431	7,433
Accrued pension and other postretirement costs	12,693	13,835
Total liabilities	94,873	66,365
Commitments and contingencies		
Equity:		
Common stock	1,237	1,235
Class B convertible common stock	103	103
Capital in excess of par value	182,787	181,938
Retained earnings	30,053	28,356
Accumulated other comprehensive income (loss)	(21,505)	(14,983)
Total Vishay Precision Group, Inc. stockholders' equity	192,675	196,649
Noncontrolling interests	156	159
Total equity	192,831	196,808
Total liabilities and equity	\$ 287,704	\$ 263,173

See accompanying notes.

VISHAY PRECISION GROUP, INC.

Consolidated Condensed Statements of Operations

(Unaudited - In thousands, except per share amounts)

	Fiscal quarter ended	
	June 29, 2013	June 30, 2012
Net revenues	\$ 62,837	\$ 55,332
Costs of products sold	41,277	35,481
Gross profit	21,560	19,851
Selling, general, and administrative expenses	18,565	15,761
Acquisition costs	208	-
Operating income	2,787	4,090
Other income (expense):		
Interest expense	(298)	(69)
Other	(907)	108
Other income (expense) - net	(1,205)	39
Income before taxes	1,582	4,129
Income tax expense	292	1,125
Net earnings	1,290	3,004
Less: net (loss) earnings attributable to noncontrolling interests	(20)	43
Net earnings attributable to VPG stockholders	\$ 1,310	\$ 2,961
Basic earnings per share attributable to VPG stockholders	\$ 0.10	\$ 0.22
Diluted earnings per share attributable to VPG stockholders	\$ 0.09	\$ 0.21
Weighted average shares outstanding - basic	13,392	13,366
Weighted average shares outstanding - diluted	13,947	13,882

See accompanying notes.

VISHAY PRECISION GROUP, INC.

Consolidated Condensed Statements of Operations

(Unaudited - In thousands, except per share amounts)

	Six fiscal months ended	
	June 29, 2013	June 30, 2012
Net revenues	\$ 120,298	\$ 111,176
Costs of products sold	78,769	72,445
Gross profit	41,529	38,731
Selling, general, and administrative expenses	36,362	32,277
Acquisition costs	695	-
Restructuring costs	388	-
Operating income	4,084	6,454
Other income (expense):		
Interest expense	(495)	(141)
Other	(1,283)	310
Other income (expense) - net	(1,778)	169
Income before taxes	2,306	6,623
Income tax expense	580	1,985
Net earnings	1,726	4,638
Less: net earnings attributable to noncontrolling interests	29	54
Net earnings attributable to VPG stockholders	\$ 1,697	\$ 4,584
Basic earnings per share attributable to VPG stockholders	\$ 0.13	\$ 0.34
Diluted earnings per share attributable to VPG stockholders	\$ 0.12	\$ 0.33
Weighted average shares outstanding - basic	13,389	13,364
Weighted average shares outstanding - diluted	13,938	13,875

See accompanying notes.

VISHAY PRECISION GROUP, INC.

Consolidated Condensed Statements of Comprehensive Income (Loss)

(Unaudited - In thousands)

	Fiscal quarter ended	
	June 29, 2013	June 30, 2012
Net earnings	\$ 1,290	\$ 3,004
Other comprehensive income (loss):		
Foreign currency translation adjustment	(3,539)	(2,916)
Pension and other postretirement actuarial items, net of tax	84	70
Other comprehensive loss	(3,455)	(2,846)
Comprehensive (loss) income	(2,165)	158
Less: comprehensive (loss) income attributable to noncontrolling interests	(20)	43
Comprehensive (loss) income attributable to VPG stockholders	\$ (2,145)	\$ 115

See accompanying notes.

VISHAY PRECISION GROUP, INC.

Consolidated Condensed Statements of Comprehensive Income (Loss)

(Unaudited - In thousands)

	Six fiscal months ended	
	June 29, 2013	June 30, 2012
Net earnings	\$ 1,726	\$ 4,638
Other comprehensive income (loss):		
Foreign currency translation adjustment	(6,801)	(1,903)
Pension and other postretirement actuarial items, net of tax	279	73
Other comprehensive loss	(6,522)	(1,830)
Comprehensive (loss) income	(4,796)	2,808
Less: comprehensive income attributable to noncontrolling interests	29	54