

KAMAN CORP
Form 10-Q
May 06, 2010

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 April 2, 2010

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: 0-1093

KAMAN CORPORATION

(Exact name of registrant as specified in its charter)

Connecticut

06-0613548

(State or other jurisdiction of incorporation or
organization)

(I.R.S. Employer Identification No.)

1332 Blue Hills Avenue
Bloomfield, Connecticut 06002

(Address of principal executive offices) (Zip Code)

(860) 243-7100

(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

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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, 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 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

At April 2, 2010, there were 25,924,853 shares of Common Stock outstanding.

Item 1. Financial Statements

CONDENSED CONSOLIDATED BALANCE SHEETS

KAMAN CORPORATION AND SUBSIDIARIES

(In thousands, except share and per share amounts) (Unaudited)

Assets	April 2, 2010	December 31, 2009
Current assets:		
Cash and cash equivalents	\$ 18,346	\$ 18,007
Accounts receivable, net	145,010	135,423
Inventories	301,672	285,263
Deferred income taxes	24,410	23,040
Other current assets	27,131	20,870
Total current assets	516,569	482,603
Property, plant and equipment, net.	81,223	81,322
Goodwill	86,131	88,190
Other intangibles assets, net	28,488	28,684
Deferred income taxes	54,930	69,811
Other assets	17,069	22,457
Total assets	\$ 784,410	\$ 773,067
Liabilities and Shareholders' Equity		
Current liabilities:		
Notes payable	\$ 1,816	\$ 1,835
Current portion of long-term debt	5,000	5,000
Accounts payable – trade	83,640	79,309
Accrued salaries and wages	17,716	19,049
Accrued pension costs	1,105	1,105
Accrued contract losses	1,454	1,310
Advances on contracts	1,591	1,800
Current portion of amount due to Commonwealth of Australia	22,779	-
Other accruals and payables	38,608	39,204
Income taxes payable	3,139	5,458
Total current liabilities	176,848	154,070
Long-term debt, excluding current portion	81,750	56,800
Deferred income taxes	7,826	8,352
Underfunded pension	120,874	157,266
Due to Commonwealth of Australia, excluding current portion	11,783	34,067
Other long-term liabilities	52,324	49,612
Commitments and contingencies		
Shareholders' equity:		
Capital stock, \$1 par value per share:		
Preferred stock, 200,000 shares authorized; none outstanding	-	-
Common stock, 50,000,000 shares authorized, voting, 25,955,612 and 25,817,477 shares issued,	25,956	25,817

respectively

Additional paid-in capital	91,832	89,624
Retained earnings	300,159	302,058
Accumulated other comprehensive income (loss)	(84,076)	(104,042)
Less 63,130 and 51,000 shares of common stock, respectively,		
held in treasury, at cost	(866)	(557)
Total shareholders' equity	333,005	312,900
Total liabilities and shareholders' equity	\$ 784,410	\$ 773,067

See accompanying notes to the condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

KAMAN CORPORATION AND SUBSIDIARIES

(In thousands, except per share amounts) (Unaudited)

	For the Three Months Ended	
	April 2, 2010	April 3, 2009
Net sales	\$ 276,772	\$ 294,035
Cost of sales	204,017	216,340
	72,755	77,695
Selling, general and administrative expenses	68,838	68,385
Net (gain)/loss on sale of assets	(576)	(93)
Operating income	4,493	9,403
Interest expense, net	2,054	1,445
Other (income) expense, net	(216)	(139)
Earnings before income taxes	2,655	8,097
Income tax expense	929	2,721
Net earnings	\$ 1,726	\$ 5,376
Net earnings per share:		
Basic net earnings per share	\$ 0.07	\$ 0.21
Diluted net earnings per share	\$ 0.07	\$ 0.21
Average shares outstanding:		
Basic	25,829	25,534
Diluted	26,017	25,598
Dividends declared per share	0.14	0.14

See accompanying notes to the condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
KAMAN CORPORATION AND SUBSIDIARIES
(In thousands) (Unaudited)