

TTM TECHNOLOGIES INC  
Form 10-Q  
August 06, 2012  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

**Form 10-Q**

x **QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 25, 2012

Commission File Number: 0-31285

**TTM TECHNOLOGIES, INC.**

(Exact name of registrant as specified in its charter)

**DELAWARE**  
(State or other jurisdiction of

**91-1033443**  
(I.R.S. Employer

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incorporation or organization)

Identification No.)

1665 Scenic Avenue, Suite 250, Costa Mesa, California 92626

(Address of principal executive offices, zip code)

(714) 327-3000

(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. (Check one):

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 Act). Yes  No

Number of shares of common stock, \$0.001 par value, of registrant outstanding at August 1, 2012: 81,928,997

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**Table of Contents****PART I. FINANCIAL INFORMATION****Item 1. Financial Statements****TTM TECHNOLOGIES, INC.****Consolidated Condensed Balance Sheets**

	June 25, 2012	December 31, 2011
	(Unaudited)	
	(In thousands)	
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 248,486	\$ 196,052
Available for sale securities	454	3,566
Accounts and notes receivable, net of allowance for bad debts of \$1,061 in 2012 and \$1,294 in 2011	309,982	316,568
Inventories	131,889	129,430
Prepaid expenses and other current assets	26,247	19,001
Deferred income taxes	6,917	6,917
<b>Total current assets</b>	<b>723,975</b>	<b>671,534</b>
Property, plant and equipment, net	809,499	766,800
Deferred income taxes	18,455	21,798
Goodwill	183,462	183,320
Definite-lived intangibles, net	72,492	80,508
Deposits and other non-current assets	13,407	25,109
	<b>\$ 1,821,290</b>	<b>\$ 1,749,069</b>
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Short-term debt, including current portion of long-term debt, net of discount	\$ 111,760	\$ 120,882
Accounts payable	154,260	149,055
Accounts payable due to related parties	34,751	36,851
Accrued salaries, wages and benefits	42,420	48,345
Equipment payable	58,681	55,099
Other liabilities and accrued expenses	39,713	26,908
<b>Total current liabilities</b>	<b>441,585</b>	<b>437,140</b>
Convertible senior notes, net of discount	154,276	151,153
Long-term debt	261,601	217,365
Deferred income taxes	13,780	14,718
Other long-term liabilities	15,795	6,023
<b>Total long-term liabilities</b>	<b>445,452</b>	<b>389,259</b>
Commitments and contingencies (Note 12)		
Equity:		
TTM Technologies, Inc. stockholders' equity		
Common stock, \$0.001 par value; 200,000 shares authorized, 81,928 and 81,339 shares issued and outstanding in 2012 and 2011, respectively	82	81

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Additional paid-in capital	541,045	535,558
Retained earnings	243,120	228,661
Statutory surplus reserve	12,567	7,021
Accumulated other comprehensive income	33,916	37,596
Total TTM Technologies, Inc. stockholders' equity	830,730	808,917
Noncontrolling interest	103,523	113,753
Total equity	934,253	922,670
	\$ 1,821,290	\$ 1,749,069

See accompanying notes to consolidated condensed financial statements.

**Table of Contents****TTM TECHNOLOGIES, INC.****Consolidated Condensed Statements of Operations****For the Quarter and Two Quarters Ended June 25, 2012 and June 27, 2011**

	Quarter Ended		Two Quarters Ended	
	June 25, 2012	June 27, 2011 (Unaudited)	June 25, 2012	June 27, 2011
(In thousands, except per share data)				
Net sales	\$ 327,423	\$ 366,117	\$ 627,922	\$ 708,918
Cost of goods sold	272,732	288,782	516,753	549,657
<b>Gross profit</b>	<b>54,691</b>	<b>77,335</b>	<b>111,169</b>	<b>159,261</b>
Operating expenses:				
Selling and marketing	9,008	9,323	17,630	18,356
General and administrative	23,453	24,111	45,588	47,162
Amortization of definite-lived intangibles	4,102	4,321	8,018	8,479
Impairment of long-lived assets		48,125		48,125
<b>Total operating expenses</b>	<b>36,563</b>	<b>85,880</b>	<b>71,236</b>	<b>122,122</b>
Operating income (loss)	18,128	(8,545)	39,933	37,139
Other income (expense):				
Interest expense	(6,380)	(6,684)	(12,797)	(12,975)
Other, net	(188)	3,435	1,399	4,412
<b>Total other expense, net</b>	<b>(6,568)</b>	<b>(3,249)</b>	<b>(11,398)</b>	<b>(8,563)</b>
Income (loss) before income taxes	11,560	(11,794)	28,535	28,576
Income tax provision	(4,009)	(8,474)	(8,652)	(19,756)
<b>Net income (loss)</b>	<b>7,551</b>	<b>(20,268)</b>	<b>19,883</b>	<b>8,820</b>
Less: Net (income) loss attributable to the noncontrolling interest	(141)	(635)	122	(2,600)
<b>Net income (loss) attributable to TTM Technologies, Inc. stockholders</b>	<b>\$ 7,410</b>	<b>\$ (20,903)</b>	<b>\$ 20,005</b>	<b>\$ 6,220</b>
Earnings (loss) per share attributable to TTM Technologies, Inc. stockholders:				
Basic earnings (loss) per share	\$ 0.09	\$ (0.26)	\$ 0.24	\$ 0.08
Diluted earnings (loss) per share	\$ 0.09	\$ (0.26)	\$ 0.24	\$ 0.08

See accompanying notes to consolidated condensed financial statements.

**Table of Contents****TTM TECHNOLOGIES, INC.****Consolidated Condensed Statements of Comprehensive Income****For the Quarter and Two Quarters Ended June 25, 2012 and June 27, 2011**

	Quarter Ended		Two Quarters Ended	
	June 25, 2012	June 27, 2011 (Unaudited)	June 25, 2012	June 27, 2011
	(In thousands)			
Net income (loss)	\$ 7,551	\$ (20,268)	\$ 19,883	\$ 8,820
Other comprehensive income, net of tax:				
Foreign currency translation adjustments, net	(5,942)	8,154	(4,468)	10,968
Net unrealized gains (losses) on cash flow hedges:				
Unrealized gain (loss) on effective cash flow hedges during the period, net	349	(63)	1,276	554
Less: reclassification to earnings	(17)	113	(61)	113
<b>Net</b>	<b>332</b>	<b>50</b>	<b>1,215</b>	<b>667</b>
Unrealized gains (losses) on available for sale securities:				
Unrealized gain (loss) on available for sale securities during period	(162)	1,648	(122)	1,648
Less: gains realized in net earnings			(912)	
<b>Net</b>	<b>(162)</b>			