

Spirit AeroSystems Holdings, Inc.
Form 10-Q
November 05, 2012
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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 September 27, 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 001-33160

Spirit AeroSystems Holdings, Inc.

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(Exact name of registrant as specified in its charter)

Delaware
*(State or other jurisdiction of
incorporation or organization)*

20-2436320
*(I.R.S. Employer
Identification No.)*

3801 South Oliver

Wichita, Kansas 67210

(Address of principal executive offices and zip code)

Registrant's telephone number, including area code:

(316) 526-9000

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 Smaller reporting company
(Do not check if a 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

As of October 29, 2012, the registrant had outstanding 119,656,840 shares of class A common stock, \$0.01 par value per share, and 24,026,372 shares of class B common stock, \$0.01 par value per share.

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(unaudited)

	For the Three Months Ended		For the Nine Months Ended	
	September 27, 2012	September 29, 2011	September 27, 2012	September 29, 2011
	(\$ in millions, except per share data)			
Net revenues	\$ 1,365.3	\$ 1,129.7	\$ 3,972.1	\$ 3,644.9
Operating costs and expenses				
Cost of sales	1,746.7	963.0	3,994.6	3,245.6
Selling, general and administrative	40.6	38.4	125.9	118.5
Impact from severe weather event	(218.8)		(164.3)	
Research and development	7.3	7.8	21.6	27.1
Total operating costs and expenses	1,575.8	1,009.2	3,977.8	3,391.2
Operating (loss) income	(210.5)	120.5	(5.7)	253.7
Interest expense and financing fee amortization	(16.2)	(19.0)	(62.6)	(61.6)
Interest income			0.1	0.2
Other income (expense), net	4.1	(1.6)	3.4	
(Loss) income before income taxes and equity in net loss of affiliates	(222.6)	99.9	(64.8)	192.3
Income tax benefit (provision)	88.3	(32.4)	39.4	(59.6)
(Loss) income before equity in net loss of affiliates	(134.3)	67.5	(25.4)	132.7
Equity in net loss of affiliates	(0.1)	(0.2)	(0.5)	(0.7)
Net (loss) income	\$ (134.4)	\$ 67.3	\$ (25.9)	\$ 132.0
Earnings per share				
Basic	\$ (0.94)	\$ 0.48	\$ (0.18)	\$ 0.93
Diluted	\$ (0.94)	\$ 0.47	\$ (0.18)	\$ 0.93

See notes to condensed consolidated financial statements (unaudited)

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Spirit AeroSystems Holdings, Inc.

Condensed Consolidated Statements of Comprehensive (Loss) Income

(unaudited)

	For the Three Months Ended		For the Nine Months Ended	
	September 27, 2012	September 29, 2011	September 27, 2012	September 29, 2011
	(\$ in millions)			
Net (loss) income	\$ (134.4)	\$ 67.3	\$ (25.9)	\$ 132.0
Changes in other comprehensive income, net of tax:				
Unrealized (loss) on interest rate swaps, net of tax effect of zero and \$1.5 for each of the three months ended and \$0.5, \$2.5 for each of the nine months ended, respectively		(2.6)	(0.9)	(4.2)
Less: reclassification adjustment for loss realized in net income, net of tax effect of zero and \$0.5 for each of the three months ended and \$1.2, \$2.9 for each of the nine months ended, respectively		0.7	1.9	4.7
Net unrealized (loss) gain on interest rate swaps		(1.9)	1.0	0.5
Unrealized gain (loss) on foreign currency hedge contracts, net of tax effect of zero and \$0.1 for each of the three months ended and zero and \$0.2 for each of the nine months ended, respectively		(0.3)		0.5
Less: reclassification adjustment for loss realized in net income, net of tax effect of zero for each of the three months ended and zero for each of the nine months ended, respectively	0.1		0.1	0.1
Less: reclassification adjustment for loss realized in net other assets, net of tax effect of zero for each of the three months ended and zero and \$0.4 for each of the nine months ended, respectively				0.7
Net unrealized gain (loss) on foreign currency hedge contracts	0.1	(0.3)	0.1	1.3
Pension, SERP, and Retiree medical adjustments, net of tax effect of \$0.1 for each of the three months ended and \$0.3, \$0.2 for each of the nine months ended, respectively	0.2	0.1	0.6	0.2
Unrealized foreign exchange gain (loss) on intercompany loan, net of tax effect of \$0.7, \$0.5 for each of the three months ended and \$0.7, \$0.1 for each of the nine months ended, respectively	2.2	(1.2)	2.2	0.3
Foreign currency translation adjustments	5.9	(3.2)	5.9	0.5
Total comprehensive (loss) income	\$ (126.0)			