

ITRON INC /WA/
Form 10-Q
November 05, 2013
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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 September 30, 2013

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 000-22418
ITRON, INC.
(Exact name of registrant as specified in its charter)

Washington
(State of Incorporation)
2111 N Molter Road, Liberty Lake, Washington 99019
(509) 924-9900
(Address and telephone number of registrant's principal executive offices)

91-1011792
(I.R.S. Employer Identification Number)

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 October 31, 2013 there were outstanding 39,149,045 shares of the registrant's common stock, no par value, which is the only class of common stock of the registrant.

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PART I: FINANCIAL INFORMATION

Item 1: Financial Statements (Unaudited)

ITRON, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
	(in thousands, except per share data)			
Revenues	\$495,491	\$504,063	\$1,425,202	\$1,654,843
Cost of revenues	345,407	332,266	975,407	1,103,196
Gross profit	150,084	171,797	449,795	551,647
Operating expenses				
Sales and marketing	44,050	44,913	138,448	145,616
Product development	41,495	43,299	129,184	134,295
General and administrative	32,260	30,743	104,172	100,763
Amortization of intangible assets	10,388	11,929	31,379	35,867
Restructuring expense	28,379	(5,054)	) 32,777	3,455
Total operating expenses	156,572	125,830	435,960	419,996
Operating income (loss)	(6,488)	) 45,967	13,835	131,651
Other income (expense)				
Interest income	146	297	1,401	667
Interest expense	(2,847)	) (2,551)	) (7,521)	) (7,594)
Other income (expense), net	(158)	) (1,269)	) (2,717)	) (4,224)
Total other income (expense)	(2,859)	) (3,523)	) (8,837)	) (11,151)
Income (loss) before income taxes	(9,347)	) 42,444	4,998	120,500
Income tax benefit (provision)	2,589	(6,547)	) 3,936	(26,740)
Net income (loss)	(6,758)	) 35,897	8,934	93,760
Net income attributable to noncontrolling interests	590	550	1,313	1,445
Net income (loss) attributable to Itron, Inc.	\$(7,348)	) \$35,347	\$7,621	\$92,315
Earnings (loss) per common share - Basic	\$(0.19)	) \$0.90	\$0.19	\$2.32
Earnings (loss) per common share - Diluted	\$(0.19)	) \$0.89	\$0.19	\$2.31
Weighted average common shares outstanding - Basic	39,127	39,472	39,325	39,756
Weighted average common shares outstanding - Diluted	39,127	39,791	39,623	40,042

The accompanying notes are an integral part of these condensed consolidated financial statements.

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ITRON, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(UNAUDITED)