

SIFCO INDUSTRIES INC
Form 10-Q
August 08, 2014

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 June 30, 2014
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 1-5978

SIFCO Industries, Inc.
(Exact name of registrant as specified in its charter)

Ohio 34-0553950
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

970 East 64th Street, Cleveland Ohio 44103
(Address of principal executive offices) (Zip Code)
(216) 881-8600
(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 definition of "large accelerated filer", "accelerated filer", "non-accelerated filer", and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

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

The number of the Registrant's Common Shares outstanding at June 30, 2014 was 5,413,129.

Part I. Financial Information

Item 1. Financial Statements

SIFCO Industries, Inc. and Subsidiaries

Consolidated Condensed Statements of Operations

(Unaudited)

(Amounts in thousands, except per share data)

	Three Months Ended		Nine Months Ended		
	June 30,		June 30,		
	2014	2013	2014	2013	
Net sales	\$30,999	\$28,672	\$86,696	\$84,121	
Cost of goods sold	23,842	20,959	67,665	64,637	
Gross profit	7,157	7,713	19,031	19,484	
Selling, general and administrative expenses	4,062	3,064	10,965	9,562	
Amortization of intangible assets	545	492	1,635	1,544	
Loss (gain) on disposal of operating assets	(1) 33	(3) (89)
Operating income	2,551	4,124	6,434	8,467	
Interest income	(4) (4) (14) (18)
Interest expense	45	76	181	261	
Foreign currency exchange (gain) loss, net	(2	) 7	4	7
Other income, net	(108) (108) (325) (294)
Income from continuing operations before income tax provision	2,620	4,153	6,588	8,511	
Income tax provision	637	1,288	1,940	2,701	
Income from continuing operations	1,983	2,865	4,648	5,810	
Income (loss) from discontinued operations, net of tax	(76	) (387	) (368	) 1,518
Net income	\$1,907	\$2,478	\$4,280	\$7,328	
Income per share from continuing operations					
Basic	\$0.37	\$0.53	\$0.86	\$1.08	
Diluted	\$0.37	\$0.53	\$0.86	\$1.08	
Income (loss) per share from discontinued operations, net of tax					
Basic	\$(0.01	) \$(0.07	) \$(0.07	) \$0.28
Diluted	\$(0.01	) \$(0.07	) \$(0.07	) \$0.28
Net income per share					
Basic	\$0.36	\$0.46	\$0.79	\$1.36	
Diluted	\$0.36	\$0.46	\$0.79	\$1.36	
Weighted-average number of common shares (basic)	5,413	5,374	5,399	5,359	
Weighted-average number of common shares (diluted)	5,431	5,402	5,420	5,399	

See notes to unaudited consolidated condensed financial statements.

SIFCO Industries, Inc. and Subsidiaries
 Consolidated Condensed Statements of Comprehensive Income
 (Unaudited)
 (Amounts in thousands, except per share data)

	Three Months Ended		Nine Months Ended	
	June 30,		June 30,	
	2014	2013	2014	2013
Net income	\$1,907	\$2,478	\$4,280	\$7,328
Other comprehensive income (loss), net of tax:				
Foreign currency translation adjustment	—	—	—	(285
Retirement plan liability adjustment	37	337	338	895
Interest rate swap agreement adjustment	9	13	27)