

Woodward, Inc.
Form 10-Q
January 23, 2013
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 December 31, 2012

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES AND EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 0-8408

WOODWARD, INC.

(Exact name of registrant as specified in its charter)

Delaware36-1984010

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

1000 East Drake Road, Fort Collins, Colorado 80525

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

(970) 482-5811

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).

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Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definitions of “accelerated filer and large accelerated filer” 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 Act).

Yes ☐ No ☒

As of January 18, 2013, 68,684,754 shares of the common stock with a par value of \$0.001455 per share were outstanding.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

WOODWARD, INC.

CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

(In thousands, except per share amounts)

(Unaudited)

	Three-Months Ended December 31,	
	2012	2011
Net sales	\$ 408,339	\$ 407,896
Costs and expenses:		
Cost of goods sold	289,573	284,410
Selling, general and administrative expenses	36,418	38,570
Research and development costs	30,018	30,794
Amortization of intangible assets	7,667	8,258
Interest expense	6,456	6,308
Interest income	(68)	(126)
Other (income) expense, net (Note 15)	(262)	(494)
Total costs and expenses	369,802	367,720
Earnings before income taxes	38,537	40,176
Income tax expense	11,169	11,760
Net earnings	\$ 27,368	\$ 28,416
Earnings per share (Note 3):		
Basic earnings per share	\$ 0.40	\$ 0.41
Diluted earnings per share	\$ 0.39	\$ 0.40
Weighted Average Common Shares Outstanding (Note 3):		
Basic	68,461	68,919
Diluted	69,713	70,393
Cash dividends per share paid to Woodward common stockholders	\$ 0.08	\$ 0.07

See accompanying Notes to Condensed Consolidated Financial Statements.

WOODWARD, INC.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS

(In thousands)

(Unaudited)

	Three-Months Ended December 31,	
	2012	2011
Net earnings	\$ 27,368	\$ 28,416
Other comprehensive earnings:		
Foreign currency translation adjustments	4,451	(8,381)
Taxes on changes on foreign currency translation adjustments	612	945
	5,063	(7,436)
Reclassification of realized losses on derivatives to earnings		