

ENTEGRIS INC
Form 10-Q
October 28, 2011
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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 October 1, 2011

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: 001-32598

Entegris, Inc.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	41-1941551 (I.R.S. Employer Identification No.)
129 Concord Road, Billerica, Massachusetts (Address of principal executive offices)	01821 (Zip Code)
(978) 436-6500	

(Registrant's telephone number, including area code)

None

(Former name, former address and former fiscal year, if changed since last report)

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 Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at October 19, 2011
Common Stock, \$0.01 par value per share	135,108,228 shares

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ENTEGRIS, INC. AND SUBSIDIARIES

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Item 1. Financial Statements

ENTEGRIS, INC. AND SUBSIDIARIES**CONDENSED CONSOLIDATED BALANCE SHEETS**

(Unaudited)

<i>(In thousands, except share data)</i>	October 1, 2011	December 31, 2010
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 227,037	\$ 133,954
Short-term investments	2,046	
Trade accounts and notes receivable, net of allowance for doubtful accounts of \$1,042 and \$1,121	111,150	124,732
Inventories	102,950	101,043
Deferred tax assets, deferred tax charges and refundable income taxes	11,252	11,484
Assets held for sale	5,998	8,182
Other current assets	7,309	7,696
Total current assets	467,742	387,091
Property, plant and equipment, net of accumulated depreciation of \$234,445 and \$219,721	130,206	126,725
Other assets:		
Investments	3,809	7,017
Intangible assets, net	58,848	65,087
Deferred tax assets	10,164	10,855
Other	5,541	4,610
Total assets	\$ 676,310	\$ 601,385
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	28,668	34,631
Accrued payroll and related benefits	30,464	41,392
Other accrued liabilities	18,496	18,111
Deferred tax liabilities and income taxes payable	13,082	13,500
Total current liabilities	90,710	107,634
Pension benefit obligations and other liabilities	19,784	24,761
Deferred tax liabilities and other noncurrent tax liabilities	4,608	4,977
Commitments and contingent liabilities		
Equity:		
Preferred stock, par value \$.01; 5,000,000 shares authorized; none issued and outstanding as of October 1, 2011 and December 31, 2010		
Common stock, par value \$.01; 400,000,000 shares authorized; issued and outstanding shares: 135,062,303 and 132,900,904	1,351	1,329
Additional paid-in capital	780,652	765,867
Retained deficit	(265,927)	(349,612)
Accumulated other comprehensive income	45,132	42,035

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Total Entegris, Inc. shareholders equity	561,208	459,619
Noncontrolling interest		4,394
Total equity	561,208	464,013
Total liabilities and equity	\$ 676,310	\$ 601,385

See the accompanying notes to condensed consolidated financial statements.

Table of Contents**ENTEGRIS, INC. AND SUBSIDIARIES****CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

(Unaudited)

(In thousands, except per share data)	Three months ended		Nine months ended	
	October 1, 2011	October 2, 2010	October 1, 2011	October 2, 2010
Net sales	\$ 173,014	\$ 178,230	\$ 585,337	\$ 506,316
Cost of sales	98,186	98,374	327,021	276,182
Gross profit	74,828	79,856	258,316	230,134
Selling, general and administrative expenses	33,533	36,478	108,449	108,852
Engineering, research and development expenses	11,957	11,381	36,951	32,937
Amortization of intangible assets	2,505	2,823	7,763	10,459
Operating income	26,833	29,174	105,153	77,886
Interest expense	20	342	755	3,276
Interest income	(58)		(105)	(66)
Other expense (income), net	315	1,283	(1,643)	1,701
Income before income taxes and equity in net earnings of affiliates	26,556	27,549	106,146	72,975
Income tax expense	4,582	5,000	22,550	15,202
Equity in net earnings of affiliates	(14)	(217)	(489)	(485)
Net income	21,988	22,766	84,085	58,258
Less net income attributable to noncontrolling interest		348	400	905
Net income attributable to Entegris, Inc.	\$ 21,988	\$ 22,418	\$ 83,685	\$ 57,353
Amounts attributable to Entegris, Inc.				
Basic net income per common share:	\$ 0.16	\$ 0.17	\$ 0.62	\$ 0.44
Diluted net income per common share:	\$ 0.16	\$ 0.17	\$ 0.62	\$ 0.43
Weighted shares outstanding:				
Basic	134,995	131,903	134,410	131,475
Diluted	136,305	133,071	135,954	132,908

See the accompanying notes to condensed consolidated financial statements.

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<i>(In thousands)</i>	Common shares outstanding	Common stock	Additional paid-in capital	Retained deficit	Accumulated other comprehensive income	Noncontrolling interest	Total	Entegris, Inc. shareholders comprehensive income	Noncontrolling interest s comprehensive income
Balance at December 31, 2009	130,043	\$ 1,300	\$ 751,360	\$ (433,968)	\$ 27,500	\$ 3,465	\$ 349,657		
Shares issued under stock plans	1,851	19	1,644				1,663		
Share-based compensation expense			5,434				5,434		
Tax benefit associated with stock plans			64				64		
Minimum pension liability adjustment, net of tax					(26)		(26)	\$ (26)	\$
Foreign currency translation					12,693	177	12,870	12,693	177
Net income									