

Vishay Precision Group, Inc.  
Form 10-Q  
September 03, 2015

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 June 27, 2015

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 1-34679

VISHAY PRECISION GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or Other Jurisdiction of Incorporation)

27-0986328

(I.R.S. Employer Identification Number)

3 Great Valley Parkway, Suite 150

Malvern, PA 19355

(Address of Principal Executive Offices) (Zip Code)

484-321-5300

(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 (section 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 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

As of September 3, 2015, the registrant had 12,144,485 shares of its common stock and 1,025,158 shares of its Class B convertible common stock outstanding.

VISHAY PRECISION GROUP, INC.  
 FORM 10-Q  
 June 27, 2015  
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## PART I - FINANCIAL INFORMATION

## Item 1. FINANCIAL STATEMENTS

## VISHAY PRECISION GROUP, INC.

## Consolidated Condensed Balance Sheets

(In thousands)

	June 27, 2015 (Unaudited)	December 31, 2014
Assets		
Current assets:		
Cash and cash equivalents	\$65,456	\$79,642
Accounts receivable, net	38,250	37,427
Inventories:		
Raw materials	13,808	14,223
Work in process	21,245	19,813
Finished goods	20,716	18,806
Inventories, net	55,769	52,842
Deferred income taxes	5,552	5,636
Prepaid expenses and other current assets	9,394	10,361
Total current assets	174,421	185,908
Property and equipment, at cost:		
Land	1,891	1,893
Buildings and improvements	50,555	49,909
Machinery and equipment	79,948	78,500
Software	6,997	6,837
Construction in progress	2,678	2,928
Accumulated depreciation	(91,820)	(89,374)
Property and equipment, net	50,249	50,693
Goodwill	12,046	12,788
Intangible assets, net	15,416	17,381
Other assets	20,352	20,393
Total assets	\$272,484	\$287,163

Continues on the following page.

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## VISHAY PRECISION GROUP, INC.

## Consolidated Condensed Balance Sheets (continued)

(In thousands)

	June 27, 2015 (Unaudited)	December 31, 2014
Liabilities and equity		
Current liabilities:		
Trade accounts payable	\$8,780	\$10,559
Payroll and related expenses	14,046	14,216
Other accrued expenses	14,776	16,902
Income taxes	127	2,133
Current portion of long-term debt	16,366	5,120
Total current liabilities	54,095	48,930
Long-term debt, less current portion	4,635	17,713
Deferred income taxes	610	638
Other liabilities	7,431	7,644
Accrued pension and other postretirement costs	12,014	12,353
Total liabilities	78,785	87,278
Commitments and contingencies		
Equity:		
Common stock	1,276	1,273
Class B convertible common stock	103	103
Treasury stock	(6,169)	(32)
Capital in excess of par value	189,769	189,532
Retained earnings	37,671	35,335
Accumulated other comprehensive loss	(29,111)	(26,560)
Total Vishay Precision Group, Inc. stockholders' equity	193,539	199,651
Noncontrolling interests	160	234
Total equity	193,699	199,885
Total liabilities and equity	\$272,484	\$287,163

See accompanying notes.

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## VISHAY PRECISION GROUP, INC.

Consolidated Condensed Statements of Operations  
(Unaudited - In thousands, except per share amounts)

	Fiscal quarter ended	
	June 27, 2015	June 28, 2014
Net revenues	\$59,508	\$65,162
Costs of products sold	38,473	40,253
Gross profit	21,035	24,909
Selling, general, and administrative expenses	18,396	19,897
Restructuring costs	304	7
Operating income	2,335	5,005
Other income (expense):		
Interest expense	(173	) (240
Other	(414	) (247
Other income (expense) - net	(587	) (487
Income before taxes	1,748	4,518
Income tax expense	288	948
Net earnings	1,460	3,570
Less: net loss attributable to noncontrolling interests	(16	) (8
Net earnings attributable to VPG stockholders	\$1,476	\$3,578
Basic earnings per share attributable to VPG stockholders	\$0.11	\$0.26
Diluted earnings per share attributable to VPG stockholders	\$0.11	\$0.26
Weighted average shares outstanding - basic	13,580	13,756
Weighted average shares outstanding - diluted	13,790	13,968

See accompanying notes.

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## VISHAY PRECISION GROUP, INC.

Consolidated Condensed Statements of Operations  
(Unaudited - In thousands, except per share amounts)

	Six fiscal months ended	
	June 27, 2015	June 28, 2014
Net revenues	\$116,116	\$126,402
Costs of products sold	74,102	79,783
Gross profit	42,014	46,619
Selling, general, and administrative expenses	37,144	39,060
Restructuring costs	382	331
Operating income	4,488	7,228
Other income (expense):		
Interest expense	(360	) (456
Other	(1,343	) (683
Other income (expense) - net	(1,703	) (1,139
Income before taxes	2,785	6,089
Income tax expense	478	1,277
Net earnings	2,307	4,812
Less: net (loss) earnings attributable to noncontrolling interests	(29	) 59
Net earnings attributable to VPG stockholders	\$2,336	\$4,753
Basic earnings per share attributable to VPG stockholders	\$0.17	\$0.35
Diluted earnings per share attributable to VPG stockholders	\$0.17	\$0.34
Weighted average shares outstanding - basic	13,663	13,754
Weighted average shares outstanding - diluted	13,875	13,963

See accompanying notes.

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VISHAY PRECISION GROUP, INC.

Consolidated Condensed Statements of Comprehensive Income (Loss)  
(Unaudited - In thousands)

	Fiscal quarter ended	
	June 27, 2015	June 28, 2014
Net earnings	\$1,460	\$3,570
Other comprehensive income (loss):		
Foreign currency translation adjustment	1,601	1,458
Pension and other postretirement actuarial items, net of tax	(100)	(11)
Other comprehensive income	1,501	1,447
Total comprehensive income	2,961	5,017
Less: comprehensive loss attributable to noncontrolling interests	(16)	(8)
Comprehensive income attributable to VPG stockholders	\$2,977	\$5,025

See accompanying notes.

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VISHAY PRECISION GROUP, INC.

Consolidated Condensed Statements of Comprehensive Income (Loss)  
(Unaudited - In thousands)

	Six fiscal months ended	
	June 27, 2015	June 28, 2014
Net earnings	\$2,307	\$4,812
Other comprehensive (loss) income:		
Foreign currency translation adjustment	(2,680	) 793
Pension and other postretirement actuarial items, net of tax	129	(6
Other comprehensive (loss) income	(2,551	) 787
Total comprehensive (loss) income	(244	) 5,599
Less: comprehensive (loss) income attributable to noncontrolling interests	(29	) 59
Comprehensive (loss) income attributable to VPG stockholders	\$(215	) \$5,540

See accompanying notes.

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VISHAY PRECISION GROUP, INC.  
Consolidated Condensed Statements of Cash Flows  
(Unaudited - In thousands)