

Symmetry Medical Inc.
Form 10-Q
November 08, 2006

**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 September 30, 2006

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 001-32374

SYMMETRY MEDICAL INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

35-1996126

(I.R.S. Employer
Identification No.)

220 W. Market Street, Warsaw, Indiana

(Address of principal executive offices)

46580

(Zip code)

Registrants telephone number, including area code (574) 268-2252

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

Edgar Filing: Symmetry Medical Inc. - Form 10-Q

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition 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

Indicate by check mark whether the registrant is a shell company (as defined in Exchange Act Rule 12b-2). Yes No

The number of shares outstanding of the registrant's common stock as of October 10, 2006 was 35,099,971.

TABLE OF CONTENTS

PART I FINANCIAL INFORMATION

Item 1	-	Financial Statements:
		<u>Condensed Consolidated Balance Sheets: As of September 30, 2006 and December 31, 2005</u>
		<u>Condensed Consolidated Statements of Operations: Three and Nine Months Ended September 30, 2006 and October 1, 2005</u>
		<u>Condensed Consolidated Statements of Cash Flows: Nine Months Ended September 30, 2006 and October 1, 2005</u>
		<u>Notes to Condensed Consolidated Financial Statements</u>
Item 2		<u>Management's Discussion and Analysis of Results of Operations and Financial Condition</u>
Item 3		<u>Quantitative and Qualitative Disclosures about Market Risks</u>
Item 4		<u>Controls and Procedures</u>

PART II OTHER INFORMATION

Item 1		<u>Legal Proceedings</u>
Item 1A		<u>Risk Factors</u>
Item 2		<u>Recent Sales of Unregistered Securities: Use of Proceeds from Registered Securities</u>
Item 5		<u>Other Information</u>
Item 6		<u>Exhibits</u>
<u>Signatures</u>		

Symmetry Medical Inc.

Condensed Consolidated Balance Sheets

	September 30, 2006 (In Thousands, Except Per Share Data) (unaudited)	December 31, 2005
Assets:		
Current Assets:		
Cash and cash equivalents	\$ 9,616	\$ 12,471
Accounts receivables, net	48,278	44,908
Inventories	44,867	38,783
Refundable income taxes	221	185
Deferred income taxes	2,345	1,867
Derivative valuation asset		414
Other current assets	2,893	4,032
Total current assets	108,220	102,660
Property and equipment, net	103,350	93,106
Derivative valuation asset		170
Goodwill	154,037	124,518
Intangible assets, net of accumulated amortization	33,574	16,327
Other assets	1,061	864
Total Assets	\$ 400,242	\$ 337,645
Liabilities and Shareholders Equity:		
Current Liabilities:		
Accounts payable	\$ 16,494	\$ 18,983
Accrued wages and benefits	8,815	10,997
Derivative valuation liability	496	
Other accrued expenses	3,105	2,696
Income tax payable		1,241
Deferred income taxes	112	
Revolving line of credit	4,682	
Current portion of capital lease obligations	2,846	3,239
Current portion of long-term debt	3,700	1,313
Total current liabilities	40,250	38,469
Deferred income taxes	11,743	11,139
Derivative valuation liability	600	
Capital lease obligations, less current portion	6,196	8,532
Long-term debt, less current portion	60,500	26,250
Total Liabilities	119,289	84,390
Commitments and contingencies (Note 11)		
Shareholders Equity:		
Common Stock, \$.0001 par value; 72,410 shares authorized; shares issued (September 30, 2006 35,100; December 31, 2005 34,704)	4	3
Additional paid-in capital	271,022	268,973
Retained earnings (deficit)	1,670	(17,378)
Accumulated other comprehensive income	8,257	1,657
Total Shareholders Equity	280,953	253,255
Total Liabilities and Shareholders Equity	\$ 400,242	\$ 337,645

Edgar Filing: Symmetry Medical Inc. - Form 10-Q

See accompanying notes to condensed consolidated financial statements.

Symmetry Medical Inc.

Condensed Consolidated Statements of Operations

	Three Months Ended		Nine Months Ended	
	September 30,	October 1,	September 30,	October 1,
	2006	2005	2006	2005
	(In Thousands, Except Per Share Data)			
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Revenue	\$ 60,740	\$ 67,228		