

RBC Bearings INC  
Form 10-Q  
November 06, 2008

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 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 September 27, 2008

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: 333-124824

**RBC Bearings Incorporated**

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation or  
organization)

95-4372080  
(I.R.S. Employer Identification No.)

One Tribology Center  
Oxford, CT  
(Address of principal executive offices)

06478  
(Zip Code)

(203) 267-7001

(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 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  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 October 30, 2008, RBC Bearings Incorporated had 21,796,486 shares of Common Stock outstanding.



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**Part I. FINANCIAL INFORMATION****ITEM 1. Financial Statements**

**RBC Bearings Incorporated**  
**Consolidated Balance Sheets**  
(dollars in thousands, except share and per share data)

<b>ASSETS</b>	<b>September 27, 2008</b>	<b>March 29, 2008</b>
	(Unaudited)	
Current assets:		
Cash	\$ 9,262	\$ 9,859
Accounts receivable, net of allowance for doubtful accounts of \$1,099 at September 27, 2008 and \$1,018 at March 29, 2008	66,836	66,137
Inventory	131,136	123,820
Deferred income taxes	5,404	5,567
Prepaid expenses and other current assets	9,589	9,976
Total current assets	222,227	215,359
Property, plant and equipment, net	79,718	73,243
Goodwill	32,832	31,821
Intangible assets, net of accumulated amortization of \$4,348 at September 27, 2008 and \$3,583 at March 29, 2008	13,266	11,404
Other assets	4,995	5,285
Total assets	\$ 353,038	\$ 337,112
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 25,196	\$ 24,851
Accrued expenses and other current liabilities	16,167	13,489
Current portion of long-term debt	1,190	750
Total current liabilities	42,553	39,090
Long-term debt, less current portion	50,000	57,000
Deferred income taxes	6,303	6,064
Other non-current liabilities	11,353	11,048
Total liabilities	110,209	113,202
Stockholders' equity:		
Preferred stock, \$.01 par value; authorized shares: 10,000,000 at September 27, 2008 and March 29, 2008; none issued and outstanding	—	—
Common stock, \$.01 par value; authorized shares: 60,000,000 at September 27, 2008 and March 29, 2008; issued and outstanding shares: 21,796,486 at September 27, 2008 and 21,782,186 at March 29, 2008	218	218
Additional paid-in capital	185,742	184,285
Accumulated other comprehensive income (loss)	(987)	1,312
Retained earnings	61,959	41,688
Treasury stock, at cost, 129,032 shares at September 27, 2008 and 113,322 shares at March 29, 2008	(4,103)	(3,593)
Total stockholders' equity	242,829	223,910
Total liabilities and stockholders' equity	\$ 353,038	\$ 337,112

See accompanying notes.



**RBC Bearings Incorporated**  
**Consolidated Statements of Operations**  
(dollars in thousands, except share and per share data)  
(Unaudited)

	Three Months Ended		Six Months Ended	
	September 27, 2008	September 29, 2007	September 27, 2008	September 29, 2007
Net sales	\$ 94,294	\$ 78,232	\$ 186,674	\$ 158,055
Cost of sales	64,077	51,995	125,902	104,373
Gross margin	30,217	26,237	60,772	53,682
Operating expenses:				
Selling, general and administrative	13,952	11,888	27,079	23,190
Other, net	1,097	354	1,479	716
Total operating expenses	15,049	12,242	28,558	23,906
Operating income	15,168	13,995	32,214	29,776
Interest expense, net	650	919	1,331	1,899
Loss on early extinguishment of debt	—	27	319	27
Other non-operating expense (income)	249	(238)	166	(352)