

TELEDYNE TECHNOLOGIES INC
Form 8-K/A
February 26, 2009

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**FORM 8-K/A
(Amendment No. 1)
CURRENT REPORT**

PURSUANT TO SECTION 13 OR SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): January 20, 2009

Teledyne Technologies Incorporated
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

1-15295
(Commission File Number)

25-1843385
(I.R.S. Employer Identification
No.)

1049 Camino Dos Rios
Thousand Oaks, California
(Address of principal executive offices)

91360-2362
(Zip Code)

Registrant's telephone number, including area code: (805) 373-4545
Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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This Amendment No. 1 to Form 8-K amends and qualifies the information contained in Item 2.02 of the Current Report on Form 8-K dated January 20, 2009 (the Original Filing). Other than as set forth in this Amendment, the information contained in the Original Filing remains unchanged.

Item 2.02 Results of Operations and Financial Condition

On January 22, 2009, Teledyne Technologies Incorporated issued a press release with respect to its fourth quarter 2008 and full year 2008 financial results (the Earnings Release). The information in that press release is amended and qualified by the information set forth herein. The information furnished pursuant to this Item 2.02 shall in no way be deemed to be filed for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended.

2008 Subsequent Event Voluntary Product Recall and Replacement Program

On February 12, 2009, Teledyne Technologies Incorporated through its subsidiary, Teledyne Continental Motors, Inc., issued a voluntary product recall of certain aircraft piston engine cylinders produced since November 2007. The total cost of the recall program is approximately \$18.0 million to cover estimated costs related to the recall and replacement of affected cylinders. The company learned about the cylinder production matter after the issuance of the Earnings Release but prior to the filing of our 2008 Annual Report on Form 10-K. In accordance with Generally Accepted Accounting Principles, we recognized this subsequent event in our 2008 fiscal year results since it related to conditions that existed at the balance sheet date of December 28, 2008. Of the total \$18.0 million charge, \$15.8 million is related to the costs associated with the return and replacement of product and \$1.4 million is related to the disposal and write-off of inventory and have been recorded as cost of sales; and \$0.8 million is related to estimated customer returns and has been recorded as a reduction to sales. The recall and replacement program is expected to be completed by year end 2009. The financial statements included in the Earnings Release have been revised to reflect the impact of this subsequent event.

The following changes to the Earnings Release were made to reflect the subsequent event:

Fourth Quarter 2008

Aerospace Engines and Components segment Net Sales \$30.3 million, changed from \$31.1 million

Aerospace Engines and Components segment Operating Loss \$20.8 million, changed from operating loss of \$2.8 million

Total Net Income \$19.9 million, changed from \$30.8 million

Diluted Earnings Per Share \$0.54, changed from \$0.84

Total Year 2008

Aerospace Engines and Components segment Net Sales \$171.0 million, changed from \$171.8 million

Aerospace Engines and Components segment Operating Loss \$9.7 million, changed from operating income of \$8.3 million

Total Net Income \$111.3 million, changed from \$122.2 million

Diluted Earnings Per Share \$3.05, changed from \$3.35

The following tables reflect the revised fourth quarter and full year 2008 results.

TELEDYNE TECHNOLOGIES INCORPORATED
CONSOLIDATED STATEMENTS OF INCOME
FOR THE FOURTH QUARTER AND FISCAL YEAR ENDED
DECEMBER 28, 2008 AND DECEMBER 30, 2007
(Unaudited In millions, except per share amounts)

| | Fourth Quarter 2008 | Fourth Quarter 2007 | Total Year 2008 | Total Year 2007 |
|--|----------------------------------|---------------------------|------------------------------|-----------------------|
| Net sales | \$ 464.8 | \$ 427.5 | \$ 1,893.0 | \$ 1,622.3 |
| Costs and expenses | | | | |
| Cost of sales | 344.8 | 304.6 | 1,339.5 | 1,136.4 |
| Selling, general and administrative expenses | 86.5 | 81.1 | 364.6 | 323.6 |
| Total costs and expenses | 431.3 | 385.7 | 1,704.1 | 1,460.0 |
| Income before other income and (expense) and taxes | 33.5 | 41.8 | 188.9 | 162.3 |
| Other income | 0.2 | 1.5 | 0.6 | 2.9 |
| Minority interest | (0.4) | (0.9) | (2.3) | (3.4) |
| Interest expense, net | (2.9) | (2.4) | (10.9) | (12.5) |
| Income before income taxes | 30.4 | 40.0 | 176.3 | 149.3 |
| Provision for income taxes (a) | 10.5 | 13.4 | 65.0 | 50.8 |
| Net income | \$ 19.9 | \$ 26.6 | \$ 111.3 | \$ 98.5 |
| Diluted earnings per common share | \$ 0.54 | \$ 0.73 | \$ 3.05 | \$ 2.72 |
| Weighted average diluted common shares outstanding | 36.6 | 36.4 | 36.5 | 36.2 |

(a) Fiscal year 2008 includes income tax credits of \$2.5 million of which \$1.2 million was recorded in the fourth quarter of 2008. Fiscal year 2008 also reflects the reversal of \$0.8 million in income tax contingency reserves which were determined to be no longer needed due to the expiration of applicable statutes of limitations. Fiscal year 2007 includes income tax credits of \$4.4 million of which \$0.4 million was recorded in the fourth quarter of 2007. Fiscal year 2007 also reflects the reversal of \$1.1 million in income tax contingency reserves which were determined to be no longer needed due to the completion of state tax audits and the expiration of applicable statutes of limitations, of which \$0.1 million was recorded in the fourth quarter of 2007.

TELEDYNE TECHNOLOGIES INCORPORATED
SUMMARY OF SEGMENT NET SALES AND OPERATING PROFIT
FOR THE FOURTH QUARTER AND FISCAL YEAR ENDED
DECEMBER 28, 2008 AND DECEMBER 30, 2007
(Unaudited In millions)

| | Fourth Quarter | Fourth Quarter | % Change | Total Year | Total Year | % Change |
|--|-------------------|-------------------|-------------|---------------|---------------|-------------|
| | 2008 | 2007 | | 2008 | 2007 | |
| Net sales: | | | | | | |
| Electronics and Communications | \$ 328.7 | \$ 283.5 | 15.9% | \$ 1,276.6 | \$ 1,071.6 | 19.1% |
| Engineered Systems | 84.1 | 78.3 | 7.4% | 361.2 | 301.7 | 19.7% |
| Aerospace Engines and Components | 30.3 | 42.1 | (28.0)% | 171.0 | 180.7 | (5.4)% |
| Energy and Power Systems | 21.7 | 23.6 | (8.1)% | 84.2 | 68.3 | 23.3% |
| Total sales | \$ 464.8 | \$ 427.5 | 8.7% | \$ 1,893.0 | \$ 1,622.3 | 16.7% |
| Operating profit (loss) and other segment income: | | | | | | |
| Electronics and Communications | \$ 49.7 | \$ 38.7 | 28.4% | \$ 183.0 | \$ 143.2 | 27.8% |
| Engineered Systems | 7.6 | 7.1 | 7.0% | 35.0 | 26.2 | 33.6% |
| Aerospace Engines and Components | (20.8) | 3.0 | *% | (9.7) | 19.2 | *% |
| Energy and Power Systems | 3.0 | 3.0 | % | 10.2 | 6.3 | 61.9% |
| Segment operating profit and other segment income | 39.5 | \$ 51.8 | (23.7)% | 218.5 | \$ 194.9 | 12.1% |
| Corporate expense | (6.0) | (10.0) | (40.0)% | (29.6) | (32.6) | (9.2)% |
| Other income, net | 0.2 | 1.5 | (86.7)% | 0.6 | 2.9 | (79.3)% |
| Minority interest | (0.4) | (0.9) | (55.6)% | (2.3) | (3.4) | (32.4)% |
| Interest expense, net | (2.9) | (2.4) | 20.8% | (10.9) | (12.5) | (12.8)% |
| Income before income taxes | 30.4 | 40.0 | (24.0)% | 176.3 | 149.3 | 18.1% |
| Provision for income taxes (a) | 10.5 | 13.4 | (21.6)% | 65.0 | 50.8 | 28.0% |
| Net income | \$ 19.9 | \$ 26.6 | (25.2)% | \$ 111.3 | \$ 98.5 | 13.0% |

(a) Fiscal year 2008 includes income tax credits of \$2.5 million of which \$1.2 million was recorded in the fourth quarter of 2008. Fiscal year 2008 also reflects the reversal of \$0.8 million in income tax contingency reserves which were determined to be no longer needed due to the expiration of applicable statutes of limitations. Fiscal year 2007 includes income tax credits of \$4.4 million of which \$0.4 million was recorded in the fourth quarter of 2007. Fiscal year 2007 also reflects the reversal of \$1.1 million in income tax contingency reserves which were determined to be no longer needed due to the completion of state tax audits and the expiration of applicable

statutes of limitations, of which \$0.1 million was recorded in the fourth quarter of 2007.

* not meaningful

TELEDYNE TECHNOLOGIES INCORPORATED
CONSOLIDATED CONDENSED BALANCE SHEETS AS OF
DECEMBER 28, 2008 AND DECEMBER 30, 2007

(Current period unaudited In millions)

| | December 28, 2008 | December 30, 2007 |
|---|----------------------------------|----------------------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 20.4 | \$ 13.4 |
| Accounts receivable, net | 281.4 | 241.1 |
| Inventories, net | 207.0 | 174.6 |
| Deferred income taxes, net | 42.6 | 34.5 |
| Prepaid expenses and other current assets | 41.6 | 13.1 |
| | | |
| Total current assets | 593.0 | 476.7 |
| Property, plant and equipment, net | 202.6 | 177.2 |
| Deferred income taxes, net | 89.2 | 56.9 |
| Goodwill and acquired intangible assets, net | 619.5 | 413.3 |
| Other assets, net | 30.2 | 35.3 |
| | | |
| Total Assets | \$ 1,534.5 | \$ 1,159.4 |
| | | |
| LIABILITIES AND STOCKHOLDERS EQUITY | | |
| Accounts payable | \$ 108.2 | \$ 105.1 |
| Accrued liabilities | 202.4 | 157.1 |
| Current portion of long-term debt and capital lease | 1.1 | 0.8 |
| | | |
| Total current liabilities | 311.7 | 263.0 |
| Long-term debt and capital lease obligations | 332.1 | 142.4 |
| Other long-term liabilities | 360.7 | 223.8 |
| | | |
| Total Liabilities | 1,004.5 | 629.2 |
| Total Stockholders Equity | 530.0 | 530.2 |
| | | |
| Total Liabilities and Stockholders Equity | \$ 1,534.5 | \$ 1,159.4 |

This Form 8-K/A contains forward-looking statements, as defined in the Private Securities Litigation Reform Act of 1995, relating to the voluntary recall. Actual results could differ materially from these forward-looking statements, as cylinder replacements proceed. Additional information concerning factors that could cause actual results to differ materially from those projected in the forward-looking statements is contained in Teledyne Technologies' periodic filings with the Securities and Exchange Commission, including its 2007 Annual Report on Form 10-K and its Quarterly Reports on Form 10-Q. The company assumes no duty to update forward-looking statements.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TELEDYNE TECHNOLOGIES
INCORPORATED

By: /s/ Dale A. Schnittjer
Dale A. Schnittjer
Senior Vice President and Chief Financial
Officer

Dated February 25, 2009