

KULICKE & SOFFA INDUSTRIES INC
Form 10-Q
July 30, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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 June 28, 2014

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 No. 0-121

KULICKE AND SOFFA INDUSTRIES, INC.
(Exact name of registrant as specified in its charter)

PENNSYLVANIA 23-1498399
(State or other jurisdiction of incorporation) (IRS Employer
Identification No.)

23A Serangoon North, Avenue 5, #01-01 K&S Corporate Headquarters, Singapore 554369
(Address of principal executive offices and Zip Code)

(215) 784-7518
(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 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, or a smaller reporting company. See definition 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

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(Do not check if a 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 ý

As of July 25, 2014, there were 76,663,182 shares of the Registrant's Common Stock, no par value, outstanding.

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PART I. - FINANCIAL INFORMATION

Item 1. – FINANCIAL STATEMENTS

KULICKE AND SOFFA INDUSTRIES, INC.

CONSOLIDATED BALANCE SHEETS

(in thousands)

Unaudited

	As of June 28, 2014	September 28, 2013
ASSETS		
Current assets:		
Cash and cash equivalents	\$597,457	\$521,788
Short-term investments	2,600	3,252
Accounts and notes receivable, net of allowance for doubtful accounts of \$239 and \$504 respectively	154,410	162,714
Inventories, net	53,922	38,135
Prepaid expenses and other current assets	19,153	24,012
Deferred income taxes	4,063	4,487
Total current assets	831,605	754,388
Property, plant and equipment, net	52,231	47,541
Goodwill	41,546	41,546
Intangible assets	7,221	11,209
Other assets	7,260	8,310
TOTAL ASSETS	\$939,863	\$862,994
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$66,222	\$37,030
Accrued expenses and other current liabilities	41,406	38,868
Income taxes payable	4,076	1,504
Total current liabilities	111,704	77,402
Financing obligation	19,618	19,396
Deferred income taxes	40,115	40,709
Other liabilities	8,957	8,822
TOTAL LIABILITIES	\$180,394	\$146,329
Commitments and contingent liabilities (Note 12)		
SHAREHOLDERS' EQUITY:		
Preferred stock, without par value:		
Authorized 5,000 shares; issued - none	\$—	\$—
Common stock, no par value:		
Authorized 200,000 shares; issued 81,590 and 80,237 respectively;		
outstanding 76,636 and 75,283 shares, respectively	476,547	467,525
Treasury stock, at cost, 4,954 shares	(46,356) (46,356)
Accumulated income	325,607	291,878
Accumulated other comprehensive income	3,671	3,618
TOTAL SHAREHOLDERS' EQUITY	\$759,469	\$716,665

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$939,863	\$862,994
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The accompanying notes are an integral part of these consolidated financial statements.

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KULICKE AND SOFFA INDUSTRIES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per share data)

Unaudited

	Three months ended		Nine months ended	
	June 28, 2014	June 29, 2013	June 28, 2014	June 29, 2013
Net revenue	\$180,517	\$141,181	\$373,836	\$361,330
Cost of sales	95,360	75,267	192,642	195,071
Gross profit	85,157	65,914	181,194	166,259
Selling, general and administrative	30,093	31,264	81,430	88,754
Research and development	23,480	15,783	60,277	46,243
Operating expenses				