

ITRON INC /WA/
Form 10-Q
November 01, 2011
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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 September 30, 2011

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 000-22418
ITRON, INC.
(Exact name of registrant as specified in its charter)

Washington
(State of Incorporation)
2111 N Molter Road, Liberty Lake, Washington 99019
(509) 924-9900
(Address and telephone number of registrant's principal executive offices)

91-1011792
(I.R.S. Employer Identification Number)

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 (§ 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.

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a 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

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As of September 30, 2011 there were outstanding 40,732,045 shares of the registrant's common stock, no par value, which is the only class of common stock of the registrant.

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PART I: FINANCIAL INFORMATION

Item 1: Financial Statements (Unaudited)

ITRON, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2011	2010 (restated)	2011	2010 (restated)
	(in thousands, except per share data)			
Revenues	\$615,555	\$573,651	\$1,791,647	\$1,638,613
Cost of revenues	439,377	391,888	1,240,276	1,125,730
Gross profit	176,178	181,763	551,371	512,883
Operating expenses				
Sales and marketing	45,037	41,197	138,530	123,708
Product development	38,672	34,038	120,048	100,100
General and administrative	32,212	30,710	100,661	97,052
Amortization of intangible assets	16,013	16,882	47,807	51,459
Restructuring	1,096	—	3,003	—
Goodwill impairment	540,400	—	540,400	—
Total operating expenses	673,430	122,827	950,449	372,319
Operating income (loss)	(497,252)	58,936	(399,078)	140,564
Other income (expense)				
Interest income	155	166	631	444
Interest expense	(10,796)	(13,328)	(34,330)	(42,216)
Other income (expense), net	(3,147)	(4,423)	(7,220)	(5,440)
Total other income (expense)	(13,788)	(17,585)	(40,919)	(47,212)
Income (loss) before income taxes	(511,040)	41,351	(439,997)	93,352
Income tax provision	(6,042)	(13,712)	(15,529)	(15,152)
Net income (loss)	\$(517,082)	\$27,639	\$(455,526)	\$78,200
Earnings (loss) per common share - Basic	\$(12.70)	\$0.68	\$(11.21)	\$1.94
Earnings (loss) per common share - Diluted	\$(12.70)	\$0.68	\$(11.21)	\$1.91
Weighted average common shares outstanding - Basic	40,725	40,400	40,648	40,307
Weighted average common shares outstanding - Diluted	40,725	40,828	40,648	40,950

The accompanying notes are an integral part of these condensed consolidated financial statements.

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ITRON, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands)

September 30, 2011 December 31, 2010
(unaudited)

ASSETS
Current assets