

HUBBELL INC
Form 10-Q
July 26, 2017
[Back to Contents](#)

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 June 30, 2017

☐ 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 1-2958

HUBBELL INCORPORATED
(Exact name of registrant as specified in its charter)

STATE OF CONNECTICUT (State or other jurisdiction of incorporation or organization)	06-0397030 (I.R.S. Employer Identification No.)
40 Waterview Drive, Shelton, CT (Address of principal executive offices)	06484 (Zip Code)
(475) 882-4000 (Registrant’s telephone number, including area code)	

N/A
(Former name, former address and former fiscal year, if changed since last report.)

Indicate by check mark YES NO

• 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. ☐ ..

• 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). ☐ ..

• whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer”, “accelerated filer”, “smaller reporting

Edgar Filing: HUBBELL INC - Form 10-Q

company", and "emerging growth company" in Rule 12b-2 of the Exchange Act.
(Check one):

Large accelerated filer	<input type="checkbox"/>	Non-accelerated filer Accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		(Do not check if a smaller reporting company)			

Emerging growth company If an emerging growth company, indicate by check
mark if the registrant has elected not to use the
extended transition period for complying with any new
or revised financial accounting standard provided
pursuant to Section 13(a) of the Exchange Act.

• whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

The number of shares outstanding of Hubbell Common Stock as of July 21, 2017 was 54,702,464.

HUBBELL INCORPORATED-Form 10-Q 1

[Back to Contents](#)

Index

Table of contents

PART I	3
ITEM 1 Financial Statements (unaudited)	
Condensed Consolidated Statements of Income	3
Condensed Consolidated Statements of Comprehensive Income	4
Condensed Consolidated Balance Sheets	5
Condensed Consolidated Statements of Cash Flows	6
Notes to Condensed Consolidated Financial Statements	7
ITEM 2 Management’s Discussion and Analysis of Financial Condition and Results of Operations	20
ITEM 3 Quantitative and Qualitative Disclosures About Market Risk	33
ITEM 4 Controls and Procedures	33
PART II	34
ITEM 1A Risk Factors	34
ITEM 2 Unregistered Sales of Equity Securities and Use of Proceeds	34
ITEM 6 Exhibits	35
Signatures	36

[Back to Contents](#)

PART I FINANCIAL INFORMATION

ITEM 1 Financial Statements

Condensed Consolidated Statements of Income (unaudited)

(in millions, except per share amounts)	Three Months		Six Months Ended	
	Ended June 30, 2017	2016	2017	2016
Net sales	\$948.3	\$908.8	\$1,800.6	\$1,743.6
Cost of goods sold	653.6	615.3	1,244.1	1,190.2
Gross profit	294.7	293.5	556.5	553.4
Selling & administrative expenses	164.1	161.4	321.8	319.4
Operating income	130.6	132.1	234.7	234.0
Interest expense, net	(11.6)	(11.3)	(22.7)	(20.3)
Other (expense) income, net	(2.3)	(4.0)	(4.4)	(5.3)
Total other expense	(13.9)	(15.3)	(27.1)	(25.6)
Income before income taxes	116.7	116.8	207.6	208.4
Provision for income taxes	35.9	34.8	62.9	64.4
Net income	80.8	82.0	144.7	144.0
Less: Net income attributable to noncontrolling interest	1.7	1.0	2.8	2.1
Net income attributable to Hubbell	\$79.1	\$81.0	\$141.9	\$141.9
Earnings per share				
Basic	\$1.44	\$1.46	\$2.57	\$2.54
Diluted	\$1.43	\$1.45	\$2.56	\$2.53
Cash dividends per common share	\$0.70	\$0.63	\$1.40	\$1.26

See notes to unaudited condensed consolidated financial statements.

[Back to Contents](#)

Condensed Consolidated Statements of Comprehensive Income (unaudited)

	Three Months Ended June 30,	
(in millions)	2017	2016
Net income	\$80.8	\$82.0
Other comprehensive income (loss):		
Foreign currency translation adjustments	7.7	(13.8)
Pension and post-retirement benefit plans' prior service costs, net actuarial gains and other pension-related, net of taxes of (\$1.0) and (\$1.2)	2.0	2.1
Unrealized gain on investments, net of taxes of \$0.0 and (\$0.1)	0.1	0.2
Unrealized loss on cash flow hedges, net of taxes of \$0.3 and \$0.0	(0.8)	(0.2)
Other comprehensive income (loss)	9.0	(11.7)
Total comprehensive income	89.8	70.3
Less: Comprehensive income attributable to noncontrolling interest	1.7	1.0
Comprehensive income attributable to Hubbell	\$88.1	\$69.3
See notes to unaudited condensed consolidated financial statements.		

	Six Months Ended June 30,	
(in millions)	2017	2016
Net income	\$144.7	\$144.0
Other comprehensive income (loss):		
Foreign currency translation adjustments	19.2	(13.1)
Pension and post retirement benefit plans' prior service costs, net actuarial gains and other pension-related, net of taxes of (\$1.9) and (\$2.5)	3.7	4.1
Unrealized gain on investments, net of taxes of (\$0.4) and (\$0.3)	0.5	0.5
Unrealized loss on cash flow hedges, net of taxes of \$0.4 and \$1.0	(0.9)	(2.5)
Other comprehensive income (loss)	22.5	(11.0)
Total comprehensive income	167.2	133.0
Less: Comprehensive income attributable to noncontrolling interest	2.8	2.1
Comprehensive income attributable to Hubbell	\$164.4	\$130.9
See notes to unaudited condensed consolidated financial statements.		

[Back to Contents](#)

Condensed Consolidated Balance Sheets (unaudited)

(in millions) June 30, December 31,
2017 2016

ASSETS