

MERITOR INC
Form 10-Q
May 05, 2016
Index

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 April 3, 2016
Commission File No. 1-15983

MERITOR, INC.

(Exact name of registrant as specified in its charter)

Indiana (State or other jurisdiction of incorporation or organization)	38-3354643 (I.R.S. Employer Identification No.)
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2135 West Maple Road, Troy, Michigan (Address of principal executive offices)	48084-7186 (Zip Code)
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(248) 435-1000

(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 Registration S-T during the preceding twelve 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. (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

91,473,543 shares of Common Stock, \$1.00 par value, of Meritor, Inc. were outstanding on April 3, 2016.

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MERITOR, INC.

PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements

CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

(in millions, except per share amounts)

	Three Months		Six Months	
	Ended		Ended	
	March 31,		March 31,	
	2016	2015	2016	2015
	(Unaudited)			
Sales	\$821	\$864	\$1,630	\$1,743
Cost of sales	(700)	(749)	(1,405)	(1,513)
GROSS MARGIN	121	115	225	230
Selling, general and administrative	(60)	(57)	(116)	(122)
Restructuring costs	(2)	(3)	(3)	(6)
Other operating income (expense), net	(3)	—	(3)	1
OPERATING INCOME	56	55	103	103
Other income (expense), net	(2)	2	(1)	4
Equity in earnings of affiliates	7	9	17	18
Interest expense, net	(21)	(21)	(43)	(40)
INCOME BEFORE INCOME TAXES	40	45	76	85
Provision for income taxes	(7)	(6)	(14)	(13)
INCOME FROM CONTINUING OPERATIONS	33	39	62	72
INCOME (LOSS) FROM DISCONTINUED OPERATIONS, net of tax	(1)	4	(3)	1
NET INCOME	32	43	59	73
Less: Net income attributable to noncontrolling interests	—	—	(1)	(1)
NET INCOME ATTRIBUTABLE TO MERITOR, INC.	\$32	\$43	\$58	\$72
NET INCOME ATTRIBUTABLE TO MERITOR, INC.				
Net income from continuing operations	\$33	\$39	\$61	\$71
Income (Loss) from discontinued operations	(1)	4	(3)	1
Net income	\$32	\$43	\$58	\$72
BASIC EARNINGS (LOSS) PER SHARE				
Continuing operations	\$0.36			