KEMET CORP
Form 10-Q
August 02, 2013
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2013

or

o 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: 001-15491

KEMET CORPORATION

(Exact name of registrant as specified in its charter)

DELAWARE	**57-0923789**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

2835 KEMET WAY, SIMPSONVILLE, SOUTH CAROLINA 29681

(Address of principal executive offices, zip code)

(864) 963-6300

(Registrant s telephone number, including area code)

Former name, former address and former fiscal year, if changed since last report: **N/A**

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 x NO o

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 x NO o

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 o	Accelerated filer x
Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). o YES x NO

The number of shares outstanding of the registrant s common stock, par value $0.01 per share, as of July 29, 2013 was 45,088,744.

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KEMET CORPORATION AND SUBSIDIARIES

Form 10-Q for the Quarter Ended June 30, 2013

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PART I - FINANCIAL INFORMATION

Item 1 - Financial Statements

KEMET CORPORATION AND SUBSIDIARIES

Condensed Consolidated Balance Sheets

(Amounts in thousands, except per share data)

[redacted]				
ASSETS				
Current assets:				
Cash and cash equivalents	$	53,155	$	95,978
Accounts receivable, net		101,254		96,564
Inventories, net		217,543		205,615
Prepaid expenses and other		39,377		41,101
Deferred income taxes		4,250		4,167
Total current assets		415,579		443,425
Property and equipment, net of accumulated depreciation of $785,335 and $771,398 as of June 30, 2013 and March 31, 2013, respectively		309,877		304,508
Goodwill		35,584		35,584
Intangible assets, net		38,310		38,646
Investment in NEC TOKIN		48,709		52,738
Restricted cash		15,851		17,397
Deferred income taxes		8,321		7,994
Other assets		8,939		11,299
Total assets	$	881,170	$	911,591
LIABILITIES AND STOCKHOLDERS EQUITY				
Current liabilities:				
Current portion of long-term debt	$	7,648	$	10,793
Accounts payable		89,854		73,669
Accrued expenses		83,313		95,944
Income taxes payable and deferred income taxes		2,063		1,074
Total current liabilities		182,878		181,480
Long-term debt, less current portion		375,645		372,707
Other non-current obligations		69,584		71,946
Deferred income taxes		8,694		8,542
Stockholders equity:				
Preferred stock, par value $0.01, authorized 10,000 shares, none issued				
Common stock, par value $0.01, authorized 175,000 shares, issued 46,508 shares at June 30, 2013 and March 31, 2013		465		465
Additional paid-in capital		465,766		467,096
Retained deficit		(198,374)		(163,235)
Accumulated other comprehensive income		9,420		7,694
Treasury stock, at cost (1,431 and 1,519 shares at June 30, 2013 and March 31, 2013, respectively)		(32,908)		(35,104)

Total stockholders equity		244,369		276,916
Total liabilities and stockholders equity	$	881,170	$	911,591

See accompanying notes to the unaudited condensed consolidated financial statements.

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KEMET CORPORATION AND SUBSIDIARIES

Condensed Consolidated Statements of Operations

(Amounts in thousands, except per share data)

(Unaudited)

	Quarters Ended June 30, 2013	2012
Net sales	$ 202,723	$ 223,632
Operating costs and expenses:		
Cost of sales	185,189	191,321
Selling, general and administrative expenses	26,502	27,255
Research and development	6,380	7,733
Restructuring charges	4,610	1,264
Net loss on sales and disposals of assets		104
Total operating costs and expenses	222,681	227,677
Operating loss	(19,958)	(4,045)
Other (income) expense:		
Interest income	(164)	(31)
Interest expense	10,034	10,457
Other expense, net	354	1,511
Loss before income taxes and equity loss from NEC TOKIN	(30,182)	(15,982)
Income tax expense	1,580	1,771
Loss before equity loss from NEC TOKIN	(31,762)	(17,753)
Equity loss from NEC TOKIN	(3,377)	
Net loss	$ (35,139)	$ (17,753)
Net loss per share:		
Basic	$ (0.78)	$ (0.40)
Diluted	$ (0.78)	$ (0.40)
Weighted-average shares outstanding:		
Basic	45,022	44,808
Diluted	45,022	44,808

See accompanying notes to the unaudited condensed consolidated financial statements.

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KEMET CORPORATION AND SUBSIDIARIES

Condensed Consolidated Statements of Comprehensive Loss

(Amounts in thousands)

(Unaudited)

	Quarters Ended June 30, 2013	2012
Net loss	$ (35,139)	$ (17,753)
Other comprehensive income (loss):		
Foreign currency translation gains (losses)	2,272	(7,966)
Defined benefit pension plans, net of tax impact	175	102
Post-retirement plan adjustments	(70)	71
Equity interest in investee s other comprehensive income	(651)	
Other comprehensive income (loss)	1,726	(7,793)
Total comprehensive loss	$ (33,413)	$ (25,546)

See accompanying notes to the unaudited condensed consolidated financial statements.

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KEMET CORPORATION AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows

(Amounts in thousands)

(Unaudited)

Net loss	$	(35,139)	$	(17,753)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:				
Depreciation and amortization		13,731		11,656
Amortization of debt discount and debt issuance costs		1,014		971
Equity loss from NEC TOKIN		3,377		
Net loss on sales and disposals of assets				104
Stock-based compensation expense		968		1,264
Long-term receivable write down		1,444		
Change in deferred income taxes		(241)		122
Change in operating assets		(14,385)		(12,029)
Change in operating liabilities		1,706		(5,490)
Other		(106)		(52)
Net cash used in operating activities		(27,631)		(21,207)
Investing activities:				
Capital expenditures		(15,481)		(13,101)
Change in restricted cash		1,591		
Net cash used in investing activities		(13,890)		(13,101)
Financing activities:				
Proceeds from issuance of debt				15,825
Deferred acquisition payments		(1,204)		(1,439)
Payments of long-term debt		(306)		(1,576)
Proceeds from exercise of stock options		19		41
Debt issuance costs				(275)
Net cash provided by (used in) financing activities		(1,491)		12,576
Net decrease in cash and cash equivalents		(43,012)		(21,732)
Effect of foreign currency fluctuations on cash		189		(943)
Cash and cash equivalents at beginning of fiscal period		95,978		210,521
Cash and cash equivalents at end of fiscal period	$	53,155	$	187,846

See accompanying notes to the unaudited condensed consolidated financial statements.

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Notes to Condensed Consolidated Financial Statements

Note 1. Basis of Financial Statement Presentation

The condensed consolidated financial statements contained herein are unaudited and have been prepared from the books and records of KEMET Corporation and its subsidiaries (KEMET or the Company). In the opinion of management, the condensed consolidated financial statements reflect all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the results for the interim periods. The condensed consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q, and therefore, do not include all information and footnotes necessary for a complete presentation of financial position, results of operations, and cash flows in conformity with U.S. generally accepted accounting principles (U.S. GAAP). Although the Company believes the disclosures are adequate to make the information presented not misleading, it is suggested that these condensed consolidated financial statements be read in conjunction with the audited financial statements and notes thereto included in the Company s Form 10-K for the fiscal year ended March 31, 2013 (the Company s 2013 Annual Report).

The accompanying condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. In consolidation, all significant intercompany amounts and transactions have been eliminated. Certain prior year amounts have been reclassified to conform to current year presentation. Net sales and operating results for the quarter ended June 30, 2013 are not necessarily indicative of the results to be expected for the full year.

The Company s significant accounting policies are presented in the Company s 2013 Annual Report.

Use of Estimates and Assumptions

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates, assumptions, and judgments based on historical data and other assumptions that management believes are reasonable. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. In addition, they affect the reported amounts of revenues and expenses during the reporting period.

The Company s judgments are based on management s assessment as to the effect certain estimates, assumptions, or future trends or events may have on the financial condition and results of operations reported in the unaudited condensed consolidated financial statements. It is important that readers of these unaudited financial statements understand that actual results could differ from these estimates, assumptions, and judgments.

Recently Issued Accounting Pronouncements

New accounting standards adopted

In February 2013, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2013-02, Comprehensive Income (Topic 220), Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income. The ASU adds new disclosure requirements for items reclassified out of accumulated other comprehensive income. The ASU does not amend any existing requirements for reporting net income or other comprehensive income in the financial statements. The ASU is effective for the Company for interim and annual periods beginning after April 1, 2013. The adoption of the ASU had no effect on the Company s financial position, results of operations, comprehensive income or liquidity.

In July 2012, the FASB issued ASU No. 2012-02, Intangibles-Goodwill and Other (Topic 350): Testing Indefinite-Lived Intangible Assets for Impairment, which states that an entity has the option first to assess qualitative factors to determine whether the existence of events and circumstances indicates that it is more likely than not that an indefinite-lived intangible asset is impaired. If, after assessing the totality of events and circumstances, an entity concludes that it is not more likely than not that the indefinite-lived intangible asset is impaired, then the entity is not required to take further action. However, if an entity concludes otherwise, then it is required to determine the fair value of the indefinite-lived intangible asset and perform the quantitative impairment test by comparing the fair value with the carrying amount. This provision is effective for annual and interim impairment tests performed for fiscal years beginning after September 15, 2012. This accounting guidance is not expected to have a material impact on the Company s financial position, results of operations, comprehensive income or liquidity.

There are currently no other accounting standards that have been issued that will have a significant impact on the Company s financial position, results of operations or cash flows upon adoption.

Restricted Cash

As discussed in Note 2, *Debt*, the Company received a $24.0 million prepayment from an original equipment manufacturer (OEM) and utilized $10.3 million for the purchase of manufacturing equipment; the remaining proceeds of $13.7 million are classified as restricted cash at June 30, 2013.

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A bank guarantee in the amount of EUR 1.5 million ($2.0 million) was issued by a European bank on behalf of the Company in August 2006 in conjunction with the establishment of a Value-Added Tax (VAT) registration in The Netherlands. Accordingly, a deposit was placed with the European bank for EUR 1.7 million ($2.2 million). While the deposit is in KEMET s name, and KEMET receives all interest earned by this deposit, the deposit is pledged to the European bank, and the bank can use the funds if a valid claim against the bank guarantee is made. The bank guarantee will remain valid until it is discharged by the beneficiary.

Fair Value Measurement

The Company utilizes three levels of inputs to measure the fair value of (a) nonfinancial assets and liabilities that are recognized or disclosed at fair value in the Company s consolidated financial statements on a recurring basis (at least annually) and (b) all financial assets and liabilities. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs.

The first two inputs are considered observable and the last is considered unobservable. The levels of inputs are as follows:

- Level 1 Quoted prices in active markets for identical assets or liabilities.

- Level 2 Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

- Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Assets and liabilities measured at fair value on a recurring basis as of June 30, 2013 and March 31, 2013 are as follows (amounts in thousands):

	Carrying Value June 30, 2013	Fair Value June 30, 2013	Fair Value Measurement Using Level 1	Level 2 (2)	Level 3	Carrying Value March 31, 2013	Fair Value March 31, 2013	Fair Value Measurement Using Level 1	Level 2 (2)	Level 3
Assets:										
Money markets (1)	$ 8,585	$ 8,585	$ 8,585	$	$	$ 29,984	$ 29,984	$ 29,984	$	$
Long-term debt	383,293	384,249	361,213	23,036		383,500	393,928	369,200	24,728	
NEC TOKIN derivative (3)	489	489			489	489	489			489

(1) Included in the line item Cash and cash equivalents on the Condensed Consolidated Balance Sheets.

(2) The valuation approach used to calculate fair value was a discounted cash flow for each respective debt facility.

(3) See Note 5, Investment in NEC TOKIN, for a description of this net call derivative. The value of the option is interrelated and depend on the enterprise value of NEC TOKIN Corporation and its EBITDA over time. Therefore, the derivative has been valued using option pricing methods in a Monte Carlo simulation.

Inventories

Inventories are stated at the lower of cost or market. The components of inventories are as follows (amounts in thousands):

	June 30, 2013	March 31, 2013
Raw materials and supplies	$ 99,634	$ 84,852
Work in process	71,352	70,522
Finished goods	70,782	68,705
	241,768	224,079
Inventory reserves (1)	(24,225)	(18,464)
	$ 217,543	$ 205,615

(1) During the quarter ended June 30, 2013, the Company recorded a $3.9 million reserve for inventory held by a third party.

Warrant Liability

As of June 30, 2013 and March 31, 2013, 8.4 million shares were subject to the warrant held by K Equity, LLC.

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Revenue Recognition

The Company ships products to customers based upon firm orders and recognizes revenue when the sales process is complete. This occurs when products are shipped to the customer in accordance with the terms of an agreement of sale, there is a fixed or determinable selling price, title and risk of loss have been transferred and collectability is reasonably assured. Shipping and handling costs are included in cost of sales.

A portion of sales is related to products designed to meet customer specific requirements. These products typically have stricter tolerances making them useful to the specific customer requesting the product and to customers with similar or less stringent requirements. The Company recognizes revenue when title to the products transfers to the customer.

A portion of sales is made to distributors under agreements allowing certain rights of return, inventory price protection, and ship-from-stock and debit (SFSD) programs common in the industry.

The SFSD program provides a mechanism for the distributor to meet a competitive price after obtaining authorization from the Company s local sales office. This program allows the distributor to ship its higher-priced inventory and debit the Company for the difference between KEMET s list price and the lower authorized price for that specific transaction. Management analyzes historical SFSD activity to determine the SFSD exposure on the global distributor inventory at the balance sheet date. The establishment of these reserves is recognized as a component of the line item Net sales on the Condensed Consolidated Statements of Operations, while the associated reserves are included in the line item Accounts receivable, net on the Condensed Consolidated Balance Sheets.

Estimates used in determining sales allowances are subject to various factors including, but not limited to, changes in economic conditions, pricing changes, product demand, inventory levels in the supply chain, the effects of technological change, and other variables that might result in changes to our estimates.

The Company provides a limited warranty to customers that the Company s products meet certain specifications. The warranty period is generally limited to one year, and the Company s liability under the warranty is generally limited to a replacement of the product or refund of the purchase price of the product. Warranty costs as a percentage of net sales were 1% or less for the quarters ended June 30, 2013 and 2012. The Company recognizes warranty costs when they are both probable and reasonably estimable.

Note 2. Debt

A summary of debt is as follows (amounts in thousands):

	June 30, 2013	March 31, 2013
10.5% Senior Notes, net of premium of $3,620 and $3,773 as of June 30, 2013 and March 31, 2013, respectively	$ 358,620	$ 358,773
Advanced payment from OEM, net of discount of $840 and $1,056 as of June 30, 2013 and March 31, 2013, respectively	22,856	22,944
Other	1,817	1,783
Total debt	383,293	383,500
Current maturities	(7,648)	(10,793)
Total long-term debt	$ 375,645	$ 372,707

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The line item Interest expense on the Condensed Consolidated Statements of Operations for the quarters ended June 30, 2013 and 2012, is as follows (amounts in thousands):

	Quarters Ended June 30,	
	2013	2012
Contractual interest expense	$ 9,020	$ 9,486
Amortization of debt issuance costs	426	426
Amortization of debt (premium) discount	62	(153)
Imputed interest on acquisition related obligations	526	698
	$ 10,034	$ 10,457

Advanced Payment from OEM

On August 28, 2012, the Company entered into and amended an agreement (the Agreement) with an original equipment manufacturer (OEM), pursuant to which the OEM agreed to advance the Company $24.0 million (the Advance Payment). As of June 30, 2013 and March 31, 2013, the Company had $23.7 million and $24.0 million, respectively, outstanding to the OEM. On a monthly basis starting in June 2013, the Company began repaying the OEM an amount equal to a percentage of the aggregate purchase price of the capacitors sold to the OEM the preceding month, not to exceed $1.0 million per month. Pursuant to the terms of the Agreement, the percentage of the aggregate purchase price of capacitors sold to the OEM that will be used to repay the Advance Payment will double, not to exceed $2.0 million per month, in the event that (1) the OEM provides evidence that the price charged by KEMET for a particular capacitor during any prior quarter was equal to or greater than 110% of the price paid by the OEM or its affiliates for a third-party part qualified for the same product, and shipping in volume during such period, and (2) agreement cannot be reached between the OEM and the Company for a price adjustment during the current quarter which would bring KEMET s price within 110% of the third-party price. In June 2015, the outstanding balance, if any, is due in full. Pursuant to the terms of the Agreement, the Company delivered to the OEM an irrevocable standby letter of credit in the amount of $16.0 million on October 8, 2012 and on October 22, 2012, the Company received the Advance Payment from the OEM.

The OEM may demand repayment of the entire balance outstanding or draw upon the Letter of Credit if any of the following events occur while the Agreement is still in effect: (i) the Company commits a material breach of the Agreement, the statement of work or the master purchase agreement between the OEM and the Company; (ii) the Company s credit rating issued by Standard & Poor s Financial Services LLC or its successor or Moody s Investors Services, Inc. or its successors drops below CCC+ or Caa1, respectively; (iii) the Company s cash balance on the last day of any fiscal quarter is less than $60,000,000; (iv) the Letter of Credit has been terminated without being replaced prior to repayment of the Advance Payment amount; (v) the Company or substantially all of its assets are sold to a party other than a subsidiary of the Company; (vi) all or substantially all of the assets of a subsidiary of the Company, or any of the shares of such subsidiary, are sold, whose assets are used to develop and produce the Goods; (vii) the Company or any subsidiary which accounts for 20% or more of the Company s consolidated total assets (Company Entity) applies for judicial or extra judicial settlement with its creditors, makes an assignment for the benefit of its creditors, voluntarily files for bankruptcy or has a receiver or trustee in bankruptcy appointed by reason of its insolvency, or in the event of an involuntary bankruptcy action, liquidation proceeding, dissolution or similar proceeding is filed against a Company Entity and not dismissed within sixty (60) days. The Company believes none of these triggers have been met since the Company s cash balance including restricted cash exceeds the $60.0 million threshold.

10.5% Senior Notes

As of June 30, 2013 and March 31, 2013, the Company had outstanding $355.0 million in aggregate principal amount of the Company s 10.5% Senior Notes due May 1, 2018 (the 10.5% Senior Notes). The Company had interest payable related to the 10.5% Senior Notes included in the line Accrued expenses on its Condensed Consolidated balance sheets of $6.2 million and $15.6 million at June 30, 2013 and March 31, 2013, respectively.

Revolving Line of Credit

KEMET Electronics Corporation (KEC) and KEMET Electronics Marketing (S) Pte Ltd. (KEMET Singapore) (each a Borrower and, collectively, the Borrowers) entered into a Loan and Security Agreement (the Loan and Security Agreement which provides a $50 million revolving line of credit. A portion of the U.S. facility and of the Singapore facility can be used to issue letters of credit. The facilities expire on September 30, 2014.

As described above under Advance Payment from OEM, a standby letter of credit for $16.0 million was delivered to the OEM on October 8, 2012 which reduced the Company s availability under the Loan and Security Agreement. In the first quarter of fiscal year 2014, the Company issued a letter of credit for EUR 1.1 million ($1.4 million) related to the construction of the new

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manufacturing location in Italy which reduced the Company s availability under the Loan and Security Agreement. As of June 30, 2013, the Company s borrowing capacity under the revolving line of credit was $23.7 million.

Note 3. Restructuring Charges

In the second quarter of fiscal year 2010, the Company initiated the first phase of a plan to restructure the Film and Electrolytic Business Group (Film and Electrolytic) and to reduce overhead within the Company as a whole. Since that time the restructuring plan has been expanded to all business groups and includes implementing programs to make the Company more competitive by removing excess capacity, moving production to lower cost locations and eliminating unnecessary costs throughout the Company.

A summary of the expenses aggregated on the Condensed Consolidated Statements of Operations line item Restructuring charges in the quarters ended June 30, 2013 and 2012, are as follows (amounts in thousands):

	Quarters Ended June 30,			
		2013		2012
Cost of relocating manufacturing equipment	$	475	$	146
Personnel reduction costs		4,135		1,118
	$	4,610	$	1,264

Quarter ended June 30, 2013

In the quarter ended June 30, 2013 restructuring charges included personnel reduction costs of $4.1 million and manufacturing relocation costs of $0.5 million. The personnel reduction costs were comprised of the following: $1.9 million related to the closure of a portion of our innovation center in the U.S., $1.1 million related to a reduction of solid capacitor production workforce in Mexico, $0.7 million related to the Company s initiative to reduce overhead within the Company as a whole and $0.4 million related to an additional Cassia Integrazione Guadagni Straordinaria (CIGS) plan in Italy. The additional expense related to CIGS is an agreement with the labor union which allowed the Company to place up to 170 workers, on a rotation basis, on the CIGS plan to save labor costs. CIGS is a temporary plan to save labor costs whereby a company may temporarily lay off employees while the government continues to pay their wages for a maximum of 12 months for the program. The employees who are in CIGS are not working, but are still employed by the Company. Only employees that are not classified as management or executive level personnel can participate in the CIGS program. Upon termination of the plan, the affected employees return to work.

In addition to these personnel reduction costs, the Company incurred manufacturing relocation costs of $0.5 million for the consolidation of manufacturing operations within Italy and relocation of equipment to Evora, Portugal.

Quarter Ended June 30, 2012

Restructuring charges in the quarter ended June 30, 2012 were primarily comprised of termination benefits associated with converting the Weymouth, United Kingdom manufacturing facility into a technology center. In addition to these personnel reduction costs, the Company incurred manufacturing relocation costs of $0.2 million for relocation of equipment to China and Macedonia.

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Reconciliation of restructuring liability

A reconciliation of the beginning and ending liability balances for restructuring charges included in the line items Accrued expenses and Other non-current obligations on the Condensed Consolidated Balance Sheets are as follows (amounts in thousands):

	Quarter Ended June 30, 2013			
	Personnel Reductions		Manufacturing Relocations	
Beginning of period	$	13,509	$	567
Costs charged to expense		4,135		475
Costs paid or settled		(8,869)		(1,042)
Change in foreign exchange		172		
End of period	$	8,947	$	

Note 4. Comprehensive Income (Loss) and Accumulated Other Comprehensive Income

Changes in Accumulated Other Comprehensive Income (Loss) for the quarter ended June 30, 2013 includes the following components (amounts in thousands):

	Foreign Currency Translation (1)		Defined Benefit Pension Plans, Net of Tax (2)		Post-Retirement Benefit Plans		Share of Equity Method Investees Other Comprehensive Income (Loss)		Net Accumulated Other Comprehensive Income (Loss)	
Balance at March 31, 2013	$	13,538	$	(7,662)	$	1,818	$		$	7,694
Other comprehensive income (loss) before reclassifications		2,272						(651)		1,621
Amounts reclassified out of AOCI				175		(70)				105
Other comprehensive income (loss)		2,272		175		(70)		(651)		1,726
Balance at June 30, 2013	$	15,810	$	(7,487)	$	1,748	$	(651)	$	9,420

Changes in Accumulated Other Comprehensive Income (Loss) for the quarter ended June 30, 2012 includes the following components (amounts in thousands):

	Foreign Currency Translation (1)	Defined Benefit Pension Plans, Net of Tax (2)	Post-Retirement Benefit Plans