

SYKES ENTERPRISES INC
Form 8-K
March 07, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **March 7, 2012**

Sykes Enterprises, Incorporated

(Exact name of registrant as specified in its charter)

Florida
(State or other jurisdiction of incorporation)

0-28274
(Commission File Number)

56-1383460
(IRS Employer Identification No.)

400 N. Ashley Drive, Suite 2800, Tampa, Florida
(Address of principal executive offices)

33602
(Zip Code)

Registrant's telephone number, including area code: **(813) 274-1000**

(Former name or former address if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

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- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operation and Financial Condition.

The Company issued a press release on Monday, February 27, 2012, announcing its results for the fourth quarter and full-year ended December 31, 2011, in which it provided certain non-GAAP financial data that reflected the effects of the elimination of the results of the discontinued operations, along with a reconciliation of the non-GAAP financial data, for the third quarter and fourth quarter of 2011. The Company also provided anticipated financial results for the first quarter of 2012 and full year 2012, and anticipates issuing guidance relating to the anticipated results for the second quarter of 2012 in the future.

In an effort to provide a basis for comparative financial analysis for the first and second quarters of 2012 compared to the same periods in 2011, the Company is providing the following historical non-GAAP financial data for the first quarter and second quarter of 2011, which reflect the same adjustments, along with the reconciliation of the non-GAAP financial data as required by Regulation G (in thousands, except per share data).

	Three Months	
	March 31, 2011 (unaudited)	June 30, 2011 (unaudited)
Revenues	\$ 299,450	\$ 300,273
Direct salaries and related costs	(194,091)	(198,779)
General and administrative	(88,577)	(88,370)
Net gain (loss) on disposal of property and equipment	(187)	3,611
Insurance settlement	44	
Impairment of long-lived assets	(726)	
Income from continuing operations	15,913	16,735
Total other income (expense), net	(1,552)	(356)
Income from continuing operations before income taxes	14,361	16,379
Income taxes	(572)	(2,683)
Income from continuing operations, net of taxes	13,789	13,696
(Loss) from discontinued operations, net of taxes	(611)	(1,725)
Net income	\$ 13,178	\$ 11,971
Net income (loss) per share:		
Basic:		
Continuing operations	\$ 0.29	\$ 0.30
Discontinued operations	(0.01)	(0.04)
Net income (loss) per share	\$ 0.28	\$ 0.26
Diluted:		
Continuing operations	\$ 0.29	\$ 0.30
Discontinued operations	(0.01)	(0.04)
Net income (loss) per share	\$ 0.28	\$ 0.26
Weighted average shares:		
Basic	46,409	46,241
Diluted	46,577	46,293

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Three Months Ended

March 31, 2011

(unaudited)

	Acquisition related Costs							
	ICT							
	Depreciation and Amortization of							
	ICT		Property & Equipment and		Merger &			
	Severance & Consulting Engagement	Intangibles Write-Ups	Integration Costs	EMEA Restructuring	Other			
	SYKES + ICT Reported						SYKES + ICT Adjusted	
Revenues	\$ 299,450						\$ 299,450	
Direct salaries and related costs	(194,091)						(194,091)	
General and administrative	(88,577)	\$ 126	\$ 3,058	\$ 233			(85,160)	
Net (loss) on disposal of property and equipment	(187)						(187)	
Insurance settlement	44					\$ (44)	0	
Impairment of long-lived assets	(726)					726	0	
Income from continuing operations	15,913	126	3,058	233	0	682	20,012	
Other income (expense), net	(1,552)						(1,552)	
Income from continuing operations before taxes	14,361	126	3,058	233	0	682	18,460	
Income taxes	(572)	(33)	(800)	(61)	0	(178)	(1,644)	
Income from continuing operations, net of taxes	\$ 13,789	\$ 93	\$ 2,258	\$ 172	\$	\$ 504	\$ 16,816	
Income from continuing operations, net of taxes per basic share	\$ 0.29	\$ 0.00	\$ 0.05	\$	\$	\$ 0.01	\$ 0.35	
Shares outstanding, basic	46,409	46,409	46,409	46,409	46,409	46,409	46,409	
Income from continuing operations, net of taxes per diluted share	\$ 0.29	\$ 0.00	\$ 0.05	\$	\$	\$ 0.01	\$ 0.35	
Shares outstanding, diluted	46,577	46,577	46,577	46,577	46,577	46,577	46,577	

	Acquisition related Costs							
	ICT							
	Depreciation and Amortization of							
	ICT		Property & Equipment and		Merger &			
	Severance & Consulting Engagement	Intangibles Write-Ups	Integration Costs	EMEA Restructuring	Other			
	SYKES + ICT Reported						SYKES + ICT Adjusted	
Revenues:								
Americas	\$ 246,535						\$ 246,535	
EMEA	52,915						52,915	
Total	\$ 299,450		\$		\$		\$ 299,450	
Operating income:								
Americas	\$ 27,708	\$ 126	\$ 3,058	220			\$ 31,112	
EMEA	1,067						1,067	
Corporate G&A expenses	(12,180)			13			(12,167)	
Insurance settlement	44					(44)		
Impairment of long-lived assets	(726)					726		
Income from continuing operations	15,913	126	3,058	233	0	682	20,012	
Other (expense), net	(1,552)						(1,552)	

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Income taxes	(572)	(33)	(800)	(61)	0	(178)	(1,644)
Income from continuing operations, net of taxes	\$ 13,789	\$ 93	\$ 2,258	\$ 172	\$	\$ 504	\$ 16,816

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Three Months Ended

June 30, 2011

(unaudited)

	Acquisition related Costs							
	ICT							
	Depreciation and Amortization							
	of							
	Merger & Integration Costs							
	Property & Equipment and Intangibles Write-Ups							
	ICT Severance & Consulting Engagement							
	SYKES + ICT Reported	ICT Severance & Consulting Engagement	Property & Equipment and Intangibles Write-Ups	Merger & Integration Costs	EMEA Restructuring	Other	SYKES + ICT Adjusted	
Revenues	\$ 300,273						\$ 300,273	
Direct salaries and related costs	(198,779)						(198,779)	
General and administrative	(88,370)	\$	\$ 2,994	\$ 386		\$ 2,178	(82,812)	
Net gain (loss) on disposal of property and equipment	3,611					\$ (3,728)	(117)	
Impairment of long-lived assets							0	
Income from continuing operations	16,735	0	2,994	386	0	(1,550)	18,565	
Other income (expense), net	(356)						(356)	
Income from continuing operations before taxes	16,379	0	2,994	386	0	(1,550)	18,209	
Income taxes	(2,683)	0	(686)	(88)	0	354	(3,103)	
Income from continuing operations, net of taxes	\$ 13,696	\$	\$ 2,308	\$ 298	\$	\$ (1,196)	\$ 15,106	
Income from continuing operations, net of taxes per basic share	\$ 0.30	\$	\$ 0.05	\$ 0.01	\$	\$ (0.03)	\$ 0.33	
Shares outstanding, basic	46,241	46,241	46,241	46,241	46,241	46,241	46,241	
Income from continuing operations, net of taxes per diluted share	\$ 0.30	\$	\$ 0.05	\$ 0.01	\$	\$ (0.03)	\$ 0.33	
Shares outstanding, diluted	46,293	46,293	46,293	46,293	46,293	46,293	46,293	

	Acquisition related Costs							
	ICT							
	Depreciation and Amortization							
	of							
	Merger & Integration Costs							
	Property & Equipment and Intangibles Write-Ups							
	ICT Severance & Consulting Engagement							
	SYKES + ICT Reported	ICT Severance & Consulting Engagement	Property & Equipment and Intangibles Write-Ups	Merger & Integration Costs	EMEA Restructuring	Other	SYKES + ICT Adjusted	
Revenues:								
Americas	\$ 247,543						\$ 247,543	
EMEA	52,730						52,730	
Total	\$ 300,273		\$	\$			\$ 300,273	
Operating income:								
Americas	\$ 27,767	\$	\$ 2,994	30			\$ 30,791	
EMEA	(1,791)	0		356			(1,435)	
Corporate G&A expenses	(12,852)					2,178	(10,674)	
Net gain (loss) on disposal of property and equipment	3,611					(3,728)	(117)	
Income from continuing operations	16,735	0	2,994	386	0	(1,550)	18,565	
Other (expense), net	(356)						(356)	
Income taxes	(2,683)	0	(686)	(88)	0	354	(3,103)	

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Income from continuing operations, net of taxes	\$ 13,696	\$	\$ 2,308	\$ 298	\$	\$ (1,196)	\$ 15,106
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SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SYKES ENTERPRISES INCORPORATED

By: /s/ W. Michael Kipphut
Executive Vice President and

Chief Financial Officer

Date: March 7, 2012