

TRIO TECH INTERNATIONAL
Form 10-Q/A
September 29, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q /A
(Amendment No. 1)

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

For the Quarterly Period Ended December 31, 2009

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 1-14523

TRIO-TECH INTERNATIONAL
(Exact name of Registrant as specified in its Charter)

California
(State or other jurisdiction of
incorporation or organization)

95-2086631
(I.R.S. Employer
Identification Number)

16139 Wyandotte Street
Van Nuys, California
(Address of principal executive offices)

91406
(Zip Code)

Registrant's Telephone Number, Including Area Code: 818-787-7000

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 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. (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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at February 10, 2010
[Common Stock, \$0.01 par value per share]	3,227,430 shares

EXPLANATORY NOTE

This Amendment No. 1 ("Amendment") on Form 10-Q/A amends the Quarterly Report of Trio-Tech International (the "Company") on Form 10-Q for the second quarter ended December 31, 2009, as filed with the Securities and Exchange Commission on February 16, 2010 (the "Original Filing"). This Amendment is being filed for the purpose of correcting errors in the condensed consolidated financial statements for the three and six months ended December 31, 2009. These errors related to allocation of losses to non-controlling interest as described in Note 12 to the condensed consolidated financial statements.

This Amendment is an amendment and restatement of the Original Report in its entirety in order to provide a complete presentation. Except as stated herein, this Amendment does not reflect events occurring after the date of the filing of the Original Report.

TRIO-TECH INTERNATIONAL
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FORWARD-LOOKING STATEMENTS

The discussions of Trio-Tech International's (the "Company") business and activities set forth in this Form 10-Q and in other past and future reports and announcements by the Company may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and assumptions regarding future activities and results of operations of the Company. In light of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, the following factors, among others, could cause actual results to differ materially from those reflected in any forward-looking statements made by or on behalf of the Company: market acceptance of Company products and services; changing business conditions or technologies and volatility in the semiconductor industry, which could affect demand for the Company's products and services; the impact of competition; problems with technology; product development schedules; delivery schedules; changes in military or commercial testing specifications which could affect the market for the Company's products and services; difficulties in profitably integrating acquired businesses, if any, into the Company; risks associated with conducting business internationally and especially in Southeast Asia, including currency fluctuations and devaluation, currency restrictions, local laws and restrictions and possible social, political and economic instability; changes in U.S. and global financial and equity markets, including market disruptions and significant interest rate fluctuations; and other economic, financial and regulatory factors beyond the Company's control. We believe customers have tightened and will continue to tighten their spending, resulting in a decline in the demand for electronic products and semiconductor equipment. See the discussions elsewhere in this Form 10-Q for more information. In some cases, you can identify forward-looking statements by the use of terminology such as "may," "will," "expects," "plans," "anticipates," "estimates," "potential," "believes," "can impact," "continue," or the negative thereof or comparable terminology.

Unless otherwise required by law, we undertake no obligation to update forward-looking statements to reflect subsequent events, changed circumstances, or the occurrence of unanticipated events. Important factors that could cause or contribute to such material differences include those discussed in "Item 1A. Risk Factors" in our most recent Annual Report on Form 10-K. You are cautioned not to place undue reliance on such forward-looking statements.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

TRIO-TECH INTERNATIONAL AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS (IN THOUSANDS, EXCEPT NUMBER OF SHARES)

	December 31, 2009 (Unaudited)	June 30, 2009
ASSETS		
CURRENT ASSETS:		
Cash & cash equivalent	\$ 4,699	\$ 6,037
Short-term deposits	1,371	1,994
Trade accounts receivable, less allowance for doubtful accounts of \$100 and \$165	5,919	3,981
Other receivables	501	279
Inventories, less allowance for obsolete inventory of \$834 and \$718	1,485	1,184
Prepaid expenses and other current assets	195	167
Total current assets	14,170	13,642
INVESTMENT PROPERTY IN CHINA , Net	2,627	2,935
PROPERTY, PLANT AND EQUIPMENT, Net	11,044	6,607
GOODWILL	434	-
OTHER ASSETS	209	1,326
RESTRICTED TERM DEPOSITS	3,570	3,437
TOTAL ASSETS	\$ 32,054	\$ 27,947
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	\$ 2,955	\$ 1,025
Accrued expenses	1,830	1,769
Income taxes payable	191	202
Current portion of bank loans payable	1,132	1,266
Current portion of capital leases	78	78
Total current liabilities	6,186	4,340
BANK LOANS PAYABLE, net of current portion	2,511	237
CAPITAL LEASES, net of current portion	16	52
DEFERRED TAX LIABILITIES	531	526
OTHER NON-CURRENT LIABILITIES	634	10
TOTAL LIABILITIES	\$ 9,878	\$ 5,165
COMMITMENT AND CONTINGENCIES	-	-
EQUITY		
TRIO-TECH INTERNATIONAL'S SHAREHOLDERS' EQUITY:		
Common stock; no par value, 15,000,000 shares authorized; 3,227,430 shares issued and outstanding as at December 31, 2009, and June 30, 2009, respectively	\$ 10,365	\$ 10,365

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Paid-in capital	1,534	1,446
Accumulated retained earnings	6,068	6,859
Accumulated other comprehensive loss-translation adjustments	1,489	1,194
Total Trio-Tech International shareholders' equity	19,456	19,864
NONCONTROLLING INTEREST	2,720	2,918
TOTAL EQUITY	\$ 22,176	\$ 22,782
TOTAL LIABILITIES AND EQUITY	\$ 32,054	\$ 27,947

See notes to condensed consolidated financial statements.

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TRIO-TECH INTERNATIONAL AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
 UNAUDITED (IN THOUSANDS, EXCEPT EARNINGS PER SHARE)

	Six Months Ended		Three Months Ended	
	Dec. 31, 2009	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2008
Revenue				
Products	\$ 7,001	\$ 5,966	\$ 3,139	\$ 2,834
Services	5,263			