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SERVOTRONICS INC /DE/

Form 10-Q

November 08, 2011

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

Form 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2011

or

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

Commission File No. 1-07109

SERVOTRONICS, INC.

(Exact name of registrant as specified in its charter)

Delaware

16-0837866

(State or other jurisdiction of

Employer

(I. R. S.

incorporation or organization)

Identification

No.)

1110 Maple Street

Elma, New York 14059

(Address of principal executive offices) (zip code)

(716) 655-5990

(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 checkmark 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) 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.

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 October 31, 2011	
Common Stock, \$.20 par value		2,237,371

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SERVOTRONICS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(\$000's omitted except share and per share data)

	September 30, 2011 (Unaudited)	December 31, 2010
Assets		
Current assets:		
Cash and cash equivalents	\$4,934	\$4,447
Accounts receivable, net	5,879	5,427
Inventories, net	11,737	11,032
Prepaid income taxes	-	226
Deferred income taxes	567	567
Other assets	469	352
Total current assets	23,586	22,051
Property, plant and equipment, net	6,099	6,159
Other non-current assets	325	296
Total Assets	\$30,010	\$28,506
Liabilities and Shareholders' Equity		
Current liabilities:		
Current portion of long-term debt	\$235	\$323
Current portion of capital lease related party	81	81
Accounts payable	1,285	1,247
Accrued employee compensation and benefit costs	1,514	1,332
Accrued income taxes	7	-
Other accrued liabilities	341	230
Total current liabilities	3,463	3,213
Long-term debt	3,031	3,058
Long-term portion of capital lease related party	354	414
Deferred income taxes	509	509
Shareholders' equity:		
Common stock, par value \$.20; authorized 4,000,000 shares; issued 2,614,506 shares; outstanding 1,981,877 (1,981,877 – 2010) shares	523	523
Capital in excess of par value	13,647	13,491
Retained earnings	12,652	11,467
Accumulated other comprehensive loss	(78) (78
Employee stock ownership trust commitment	(1,367) (1,367
Treasury stock, at cost 377,135 (377,135 – 2010) shares	(2,724) (2,724
Total shareholders' equity	22,653	21,312
Total Liabilities and Shareholders' Equity	\$30,010	\$28,506

See notes to consolidated financial statements

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SERVOTRONICS, INC. AND SUBSIDIARIES
 CONSOLIDATED STATEMENTS OF INCOME
 (\$000's omitted except per share data)
 (Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2011	2010	2011	2010
Revenue	\$8,808	\$7,346	\$25,496	\$23,433
Costs, expenses and other income:				
Cost of goods sold, exclusive of depreciation and amortization	6,284	5,643	18,447	16,839
Selling, general and administrative	1,204	1,225	3,757	3,682
Interest expense	14	16	44	