

Edgar Filing: ASHLAND INC - Form SC 13G

ASHLAND INC
Form SC 13G
February 12, 2001

Page 1 of 13 Pages

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

SCHEDULE 13G

Under the Securities Exchange Act of 1934

() *

ASHLAND INC

(NAME OF ISSUER)

COM

(TITLE OF CLASS OF SECURITIES)

044204105

(CUSIP NUMBER)

December 31, 2000

(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- X Rule 13d-1(b)
Rule 13d-1(c)
Rule 13d-1(d)

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be 'filed' for the purpose of Section 18 of the Securities Exchange Act of 1934 ('Act') or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(CONTINUED ON FOLLOWING PAGE(S))

CUSIP NO. 044204105

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Page 2 of 13 Pages

1. NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

AXA Assurances I.A.R.D. Mutuelle

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP * (A) [X]
(B) []

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3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION
France

NUMBER OF SHARES BENEFICIALLY OWNED AS OF December 31, 2000 BY EACH REPORTING PERSON WITH:	5. SOLE VOTING POWER	3,726,320
	6. SHARED VOTING POWER	205,539
	7. SOLE DISPOSITIVE POWER	4,987,580
	8. SHARED DISPOSITIVE POWER	1,156,300

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH
REPORTING PERSON 6,143,880
(Not to be construed as an admission of beneficial ownership)

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN
SHARES * []

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9 8.8%

12. TYPE OF REPORTING PERSON *
IC

* SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP NO. 044204105

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Page 3 of 13 Pages

1. NAME OF REPORTING PERSON
I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

AXA Assurances Vie Mutuelle

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CUSIP NO. 044204105

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1. NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

AXA Conseil Vie Assurance Mutuelle

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP * (A)

(B)

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

France

NUMBER OF SHARES BENEFICIALLY OWNED AS OF December 31, 2000	5. SOLE VOTING POWER	3,726,320
BY EACH REPORTING PERSON WITH:	6. SHARED VOTING POWER	205,539
	7. SOLE DISPOSITIVE POWER	4,987,580
	8. SHARED DISPOSITIVE POWER	1,156,300

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 6,143,880

(Not to be construed as an admission of beneficial ownership)

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12. TYPE OF REPORTING PERSON * IC

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CUSIP NO. 044204105

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Page 5 of 13 Pages

1. NAME OF REPORTING PERSON

I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

AXA Courtage Assurance Mutuelle

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP * (A)

(B)

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

France

NUMBER OF SHARES BENEFICIALLY OWNED AS OF December 31, 2000	5. SOLE VOTING POWER	3,726,320
	6. SHARED VOTING POWER	205,539

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BY EACH REPORTING PERSON WITH:	7. SOLE DISPOSITIVE POWER	4,987,580
	8. SHARED DISPOSITIVE POWER	1,156,300
9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON (Not to be construed as an admission of beneficial ownership)		6,143,880
10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES *		[]
11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9		8.8%
12. TYPE OF REPORTING PERSON *		IC

* SEE INSTRUCTIONS BEFORE FILLING OUT!

CUSIP NO. 044204105 13G Page 6 of 13 Pages

1. NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON		
AXA		
2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP *	(A) [X] (B) []	
3. SEC USE ONLY		
4. CITIZENSHIP OR PLACE OF ORGANIZATION France		
NUMBER OF SHARES BENEFICIALLY OWNED AS OF December 31, 2000	5. SOLE VOTING POWER	3,726,320
	6. SHARED VOTING POWER	205,539
BY EACH REPORTING PERSON WITH:	7. SOLE DISPOSITIVE POWER	4,987,580
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10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES *		[]
11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9		8.8%
12. TYPE OF REPORTING PERSON *		HC

* SEE INSTRUCTIONS BEFORE FILLING OUT!

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1. NAME OF REPORTING PERSON I.R.S. IDENTIFICATION NO. OF ABOVE PERSON		
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AXA FINANCIAL, INC.

13-3623351

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP * (A) []
(B) []
3. SEC USE ONLY
4. CITIZENSHIP OR PLACE OF ORGANIZATION
State of Delaware
- | | | |
|--|-----------------------------|-----------|
| NUMBER OF SHARES BENEFICIALLY OWNED AS OF December 31, 2000 BY EACH REPORTING PERSON WITH: | 5. SOLE VOTING POWER | 2,992,020 |
| | 6. SHARED VOTING POWER | 205,539 |
| | 7. SOLE DISPOSITIVE POWER | 4,965,680 |
| | 8. SHARED DISPOSITIVE POWER | 0 |
9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 4,965,680
(Not to be construed as an admission of beneficial ownership)
10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES * []
11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9 7.1%
12. TYPE OF REPORTING PERSON *
HC

* SEE INSTRUCTIONS BEFORE FILLING OUT!

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Item 1(a) Name of Issuer:
ASHLAND INC

Item 1(b) Address of Issuer's Principal Executive Offices:
50 E Rivercenter Blvd
Covington, KY 41012

Item 2(a) and (b)

Name of Person Filing and Address of Principal Business Office:

AXA Conseil Vie Assurance Mutuelle,
AXA Assurances I.A.R.D Mutuelle, and
AXA Assurances Vie Mutuelle
370, rue Saint Honore
75001 Paris, France

AXA Courtage Assurance Mutuelle
26, rue Louis le Grand
75002 Paris, France

as a group (collectively, the 'Mutuelles AXA').

AXA
25, avenue Matignon
75008 Paris, France

AXA Financial, Inc.

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1290 Avenue of the Americas
New York, New York 10104

(Please contact Patrick Meehan at (212) 314-5644 with any questions.)

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Item 2(c) Citizenship:
Mutuelles AXA and AXA - France
AXA Financial, Inc. - Delaware

Item 2(d) Title of Class of Securities:
COM

Item 2(e) CUSIP Number:
044204105

Item 3. Type of Reporting Person:
AXA Financial, Inc. as a parent holding company,
in accordance with 240.13d-1 (b) (ii) (G).

The Mutuelles AXA, as a group, acting as a parent holding company.

AXA as a parent holding company.

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Item 4. Ownership as of December 31, 2000:
(a) Amount Beneficially Owned:

6,143,880 shares of common stock beneficially owned including:

	No. of Shares	

The Mutuelles AXA, as a group		0
AXA		0
AXA Entity or Entities:		
AXA Colonia Konzern AG (Germany)		21,900
AXA Rosenberg (U.S.)		1,156,300
Common Stock acquired solely for investment purposes.		
AXA Financial, Inc.		0
Subsidiaries:		
Alliance Capital Management L.P.		
acquired solely for investment purposes on		
behalf of client discretionary investment		
advisory accounts:		
Common Stock	4,964,880	4,964,880

The Equitable Life Assurance Society of the United States		
acquired solely for investment purposes.		
Common Stock	800	800
	-----	-----
Total		6,143,880
		=====

Each of the Mutuelles AXA, as a group, and AXA expressly declares that the filing of this Schedule 13G shall not be construed as an admission that it is, for purposes of Section 13(d) of the Exchange Act, the beneficial owner of any securities covered by this Schedule 13G.

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Each of the above subsidiaries of AXA Financial, Inc. operates under independent management and makes independent decisions.

(b) Percent of Class: 8.8%
=====

ITEM 4. Ownership as of 12/31/2000 (CONT.) Page 11 of 13 Pages
(c) Deemed Voting Power and Disposition Power:

	(i)	(ii)	(iii)	(iv)
	Deemed to have Sole Power to Vote or to Direct the Vote	Deemed to have Shared Power to Vote or to Direct the Vote	Deemed to have Sole Power to Dispose or to Direct the Disposition	Deemed to have Shared Power to Dispose or to Direct the Disposition
	-----	-----	-----	-----
The Mutuelles AXA, as a group	0	0	0	0
AXA	0	0	0	0
AXA Entity or Entities: -----				
AXA Colonia Konzern AG (Germany)	21,900	0	21,900	0
AXA Rosenberg (U.S.)	712,400	0	0	1,156,300
AXA Financial, Inc.	0	0	0	0
Subsidiaries: -----				
Alliance Capital Management L.P.	2,991,220	205,539	4,964,880	0
The Equitable Life Assurance Society of the United States	800	0	800	0
TOTAL	----- 3,726,320 =====	----- 205,539 =====	----- 4,987,580 =====	----- 1,156,300 =====

Each of the above subsidiaries of the AXA Financial, Inc. operates under independent management and makes independent voting and investment decisions.

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Item 5. Ownership of Five Percent or Less of a Class:

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following.

()

Item 6. Ownership of More than Five Percent on behalf of Another Person. N/A

Item 7. Identification and Classification of the Subsidiary which Acquired

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the Security Being Reporting on by the Parent Holding Company:

This Schedule 13G is being filed by AXA Financial, Inc.; AXA, which beneficially owns a majority interest in AXA Financial, Inc.; and the Mutuelles AXA, which as a group control AXA:

- (X) in the Mutuelles AXAs' capacity, as a group, acting as a parent holding company with respect to the holdings of the following AXA entity or entities;
- (X) in AXA's capacity as a parent holding company with respect to the holdings of the following AXA entity or entities:
 - AXA Colonia Konzern AG (Germany)
 - AXA Rosenberg (U.S.)
- (X) in AXA Financial, Inc.'s capacity as a parent holding company with respect to the holdings of its following subsidiaries:
- (X) Alliance Capital Management L.P. (13-3434400), an investment adviser registered under Section 203 of the Investment Advisers Act of 1940.
- (X) The Equitable Life Assurance Society of the United States (13-5570651), an insurance company and an investment adviser registered under Section 203 of the Investment Advisers Act of 1940.

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Item 8. Identification and Classification of Members of the Group. N/A

Item 9. Notice of Dissolution of Group: N/A

Item 10. Certification:

By signing below I certify that to the best of my knowledge and belief, the securities referred to above were acquired in the ordinary course of business and were not acquired for the purpose of and do not have the effect of changing or influencing the control of the issuer of such securities and were not acquired in connection with or as a participant in any transaction having such purposes or effect.

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 12, 2001

AXA FINANCIAL, INC.*

/s/ Alvin H. Fenichel

Alvin H. Fenichel
Senior Vice President
and Controller

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*Pursuant to the Joint Filing Agreement with respect to Schedule 13G attached hereto as Exhibit I, among AXA Financial, Inc., AXA Conseil Vie Assurance Mutuelle, AXA Assurances I.A.R.D Mutuelle, AXA Assurances Vie Mutuelle, AXA Courtage Assurance Mutuelle, and AXA, this statement Schedule 13G is filed on behalf of each of them.

Total current assets

1,077,191 959,582

Property, plant and equipment, less accumulated depreciation

299,838 307,048

Goodwill

772,014 778,708

Intangible assets, less accumulated amortization

400,330 428,273

Deferred income taxes

40,098 46,970

Other long-lived assets

75,173 64,002

\$2,664,644 \$2,584,583

LIABILITIES AND STOCKHOLDERS EQUITY

Current liabilities:

Accounts payable

\$190,531 183,672

Accrued liabilities

162,275 166,272

Current maturities of long-term debt

23,810 15,678

Current liabilities of discontinued operations

86,860

Total current liabilities

376,616 452,482

Long-term debt

1,307,104 1,135,527

Postretirement benefits

139,573 144,320

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Other long-term liabilities

46,039 40,394

Stockholders' equity:

Preferred stock

Common stock

503 503

Additional paid-in capital

587,029 598,180

Retained earnings

509,041 461,756

Accumulated other comprehensive loss

(43,460) (30,565)

Treasury stock

(257,801) (218,014)

Total stockholders' equity

795,312 811,860

\$2,664,644 \$2,584,583

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements

-1-

BELDEN INC.**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME****(Unaudited)**

	Three Months Ended		Six Months Ended	
	June 30, 2013	July 1, 2012	June 30, 2013	July 1, 2012
	(In thousands, except per share data)			
Revenues	\$ 529,491	\$ 458,218	\$ 1,036,964	\$ 897,818
Cost of sales	(350,295)	(313,570)	(690,415)	(620,371)
Gross profit	179,196	144,648	346,549	277,447
Selling, general and administrative expenses	(93,503)	(76,342)	(185,485)	(157,864)
Research and development	(20,931)	(14,814)	(41,356)	(28,622)
Amortization of intangibles	(13,105)	(2,415)	(26,082)	(5,499)
Income from equity method investment	2,256	1,960	4,527	4,701
Operating income	53,913	53,037	98,153	90,163
Interest expense	(18,345)	(12,499)	(34,250)	(24,418)
Interest income	149	211	257	562
Income from continuing operations before taxes	35,717	40,749	64,160	66,307
Income tax expense	(6,225)	(1,044)	(12,423)	(6,863)
Income from continuing operations	29,492	39,705	51,737	59,444
Income from discontinued operations, net of tax		2,685		7,221
Net income	\$ 29,492	\$ 42,390	\$ 51,737	\$ 66,665
Weighted average number of common shares and equivalents:				
Basic	43,928	45,526	44,173	45,720
Diluted	44,790	46,305	45,107	46,623
Basic income per share:				
Continuing operations	\$ 0.67	\$ 0.87	\$ 1.17	\$ 1.30
Discontinued operations		0.06		0.16
Net income	\$ 0.67	\$ 0.93	\$ 1.17	\$ 1.46
Diluted income per share:				
Continuing operations	\$ 0.66	\$ 0.86	\$ 1.15	\$ 1.28
Discontinued operations		0.06		0.15
Net income	\$ 0.66	\$ 0.92	\$ 1.15	\$ 1.43
Comprehensive income	\$ 23,950	\$ 14,152	\$ 38,842	\$ 49,053
Dividends declared per share	\$ 0.05	\$ 0.05	\$ 0.10	\$ 0.10

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements

BELDEN INC.**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS****(Unaudited)**

	Six Months Ended	
	June 30, 2013	July 1, 2012
	(In thousands)	
Cash flows from operating activities:		
Net income	\$ 51,737	\$ 66,665
Adjustments to reconcile net income to net cash provided by (used for) operating activities:		
Depreciation and amortization	47,787	23,659
Share-based compensation	7,366	6,339
Pension funding less than pension expense	1,723	883
Provision for inventory obsolescence	963	3,056
Deferred income tax benefit	(897)	(10,368)
Income from equity method investment	(4,527)	(4,701)
Tax benefit related to share-based compensation	(5,362)	(3,909)
Changes in operating assets and liabilities, net of the effects of currency exchange rate changes and acquired businesses:		
Receivables	(43,370)	(27,553)
Inventories	6,312	13,418
Accounts payable	5,500	(10,823)
Accrued liabilities	(1,854)	(23,754)
Accrued taxes	(85,769)	3,566
Other assets	232	(1,832)
Other liabilities	3,659	(4,084)
Net cash provided by (used for) operating activities	(16,500)	30,562
Cash flows from investing activities:		
Capital expenditures	(20,266)	(21,753)
Cash used to acquire businesses, net of cash acquired	(9,979)	(587)
Proceeds from disposal of tangible assets	3,136	353
Proceeds from disposal of business	3,735	
Net cash used for investing activities	(23,374)	(21,987)
Cash flows from financing activities:		
Borrowings under credit arrangements	388,220	
Payments under borrowing arrangements	(197,191)	(600)
Payments under share repurchase program	(62,500)	(50,000)
Debt issuance costs paid	(7,817)	
Cash dividends paid	(2,310)	(4,712)
Proceeds (payments) from exercise of stock options, net of withholding tax payments	(1,186)	2,198
Proceeds from settlement of derivatives		2,733
Tax benefit related to share-based compensation	5,362	3,909
Net cash provided by (used for) financing activities	122,578	(46,472)
Effect of foreign currency exchange rate changes on cash and cash equivalents	(1,598)	(7,541)
Increase (decrease) in cash and cash equivalents	81,106	(45,438)
Cash and cash equivalents, beginning of period	395,095	382,716
Cash and cash equivalents, end of period	\$ 476,201	\$ 337,278

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements

BELDEN INC.

CONDENSED CONSOLIDATED STOCKHOLDERS EQUITY STATEMENT

SIX MONTHS ENDED JUNE 30, 2013

(Unaudited)

	Common Stock			Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Income (Loss)		Total
	Shares	Amount	Additional Paid-In Capital		Shares	Amount	Foreign Currency Translation Component	Pension and Other Postretirement Benefit Plans	
Balance at December 31, 2012	50,335	\$ 503	\$ 598,180	\$ 461,756	(6,167)	\$ (218,014)	\$ 28,516	\$ (59,081)	\$ 811,860
Net income				51,737					51,737
Foreign currency translation							(15,269)		(15,269)
Amortization of pension and other postretirement benefit plan losses, net of \$1.5 million tax								2,374	2,374
Exercise of stock options, net of tax withholding			(16,867)		490	18,516			1,649
Conversion of restricted stock units into common stock, net of tax withholding			(7,012)		120	4,197			(2,815)
Share repurchase program					(1,197)	(62,500)			(62,500)
Share-based compensation			12,728						12,728
Dividends (\$0.10 per share)				(4,452)					(4,452)
Balance at June 30, 2013	50,335	\$ 503	\$ 587,029	\$ 509,041	(6,754)	\$ (257,801)	\$ 13,247	\$ (56,707)	\$ 795,312

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements

BELDEN INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

Note 1: Summary of Significant Accounting Policies

Basis of Presentation

The accompanying Condensed Consolidated Financial Statements include Belden Inc. and all of its subsidiaries (the Company, Belden, us, we, or our). We eliminate all significant affiliate accounts and transactions in consolidation.

The accompanying Condensed Consolidated Financial Statements presented as of any date other than December 31, 2012:

Are prepared from the books and records without audit, and

Are prepared in accordance with the instructions for Form 10-Q and do not include all of the information required by accounting principles generally accepted in the United States for complete statements, but

Include all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the financial statements. These Condensed Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements and Supplementary Data contained in our 2012 Annual Report on Form 10-K.

Business Description

Belden designs, manufactures, and markets signal transmission solutions for the broadcast, enterprise, and industrial markets. Our products are designed and manufactured to strict quality standards resulting in an industry leading reputation for worldwide reliability.

Reporting Periods

Our fiscal year and fiscal fourth quarter both end on December 31. Our fiscal first quarter ends on the Sunday falling closest to 91 days after December 31, which was March 31, 2013, the 90th day of our fiscal year 2013. Our fiscal second quarter has 91 days and ended on June 30, 2013. Our fiscal third quarter has 91 days and will end on September 29, 2013. The six months ended June 30, 2013 and July 1, 2012 included 181 and 183 days, respectively.

Reclassifications

We have made certain reclassifications to the 2012 Condensed Consolidated Financial Statements with no impact to reported net income in order to conform to the 2013 presentation, primarily related to discontinued operations of a disposed business.

Fair Value Measurement

Accounting guidance for fair value measurements specifies a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources or reflect our own assumptions of market participant valuation. The hierarchy is broken down into three levels based on the reliability of the inputs as follows:

Level 1 Quoted prices in active markets that are unadjusted and accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 Quoted prices for identical assets and liabilities in markets that are not active, quoted prices for similar assets and liabilities in active markets, or financial instruments for which significant inputs are observable, either directly or indirectly;

Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

As of and for the three and six months ended June 30, 2013 and July 1, 2012, we utilized Level 1 inputs to determine the fair value of cash equivalents. We did not have any transfers between Level 1 and Level 2 fair value measurements during the year.

Cash and Cash Equivalents

We classify cash on hand and deposits in banks, including commercial paper, money market accounts, and other investments with an original maturity of three months or less, that we hold from time to time, as cash and cash equivalents. We periodically have cash equivalents consisting of short-term money market funds and other investments. The primary objective of our investment activities is to preserve our capital for the purpose of funding operations. We do not enter into investments for trading or speculative purposes. The fair value of these cash equivalents as of June 30, 2013 was \$260.5 million and is based on quoted market prices in active markets (i.e., Level 1 valuation).

Contingent Liabilities

We have established liabilities for environmental and legal contingencies that are probable of occurrence and reasonably estimable, the amounts of which are currently not material. We accrue environmental remediation costs based on estimates of known environmental remediation exposures developed in consultation with our environmental consultants and legal counsel. We are, from time to time, subject to routine litigation incidental to our business. These lawsuits primarily involve claims for damages arising out of the use of our products, allegations of patent or trademark infringement, and litigation and administrative proceedings involving employment matters and commercial disputes. Based on facts currently available, we believe the disposition of the claims that are pending or asserted will not have a materially adverse effect on our financial position, results of operations or cash flow.

As of June 30, 2013, we were party to standby letters of credit, bank guaranties, and surety bonds totaling \$7.0 million, \$4.7 million, and \$1.7 million, respectively.

Revenue Recognition

We recognize revenue when all of the following circumstances are satisfied: (1) persuasive evidence of an arrangement exists, (2) price is fixed or determinable, (3) collectability is reasonably assured, and (4) delivery has occurred. Delivery occurs in the period in which the customer takes title and assumes the risks and rewards of ownership of the products specified in the customer's purchase order or sales agreement. At times, we enter into arrangements that involve the delivery of multiple products. For these arrangements, revenue is allocated to each deliverable based on that element's relative selling price and recognized based on the period of delivery for each element.

We record revenue net of estimated rebates, price allowances, invoicing adjustments, and product returns. We record revisions to these estimates in the period in which the facts that give rise to each revision become known.

Discontinued Operations

In 2012, we sold our Thermax and Raydex cable business, and the results of operations of Thermax and Raydex in 2012 are reported in discontinued operations. Operating results from discontinued operations for the three and six months ended July 1, 2012 include \$25.8 million and \$50.5 million, respectively, of revenues and \$5.3 million and \$12.1 million, respectively, of income before taxes from Thermax and Raydex.

In 2010, we completed the sale of Trapeze Networks, Inc. (Trapeze) for \$152.1 million. At the time the transaction closed, we received \$136.9 million in cash, and the remaining \$15.2 million was placed in escrow as partial security for our indemnity obligations under the sale agreement. As of June 30, 2013, we have collected a partial settlement of \$4.2 million from the escrow, and we remain in negotiations with the buyer of Trapeze regarding the status of the escrow and certain claims raised by the buyer. Based on the current status of the negotiations, the amount of the escrow receivable on our Condensed Consolidated Balance Sheet is \$3.8 million, which is our best estimate of the remaining amount to be collected.

Subsequent Events

We have evaluated subsequent events after the balance sheet date through the financial statement issuance date for appropriate accounting and disclosure.

Current-Year Adoption of Accounting Pronouncements

On January 1, 2013, we adopted new accounting guidance issued by the FASB with regard to the presentation and disclosure of changes in accumulated other comprehensive income (loss). The adoption of this guidance did not have a material impact on our financial statements.

Note 2: Acquisitions

Softel Limited

We acquired Softel Limited (Softel) for \$9.1 million, net of cash acquired, on January 25, 2013. Softel is a key technology supplier to the media sector with a portfolio of technologies well aligned with industry trends and growing demand. Softel is located in the United Kingdom. The results of Softel have been included in our Consolidated Financial Statements from January 25, 2013, and are reported within the Broadcast segment. The Softel acquisition was not material to our financial position or results of operations reported as of and for the three and six months ended June 30, 2013.

PPC Broadband, Inc.

We acquired 100% of the outstanding shares of PPC Broadband, Inc. (PPC) in exchange for cash of \$522.4 million on December 10, 2012. PPC is a leading manufacturer and developer of advanced connectivity technologies for the broadband market and expands our solution offerings in the broadband end-market. PPC is headquartered in Syracuse, New York. PPC's strong brands and technology enhance our portfolio of broadband products. The results of PPC have been included in our Consolidated Financial Statements from December 10, 2012, and are reported within the Broadcast segment. The following table summarizes the estimated fair value of the assets acquired and the liabilities assumed as of December 10, 2012 (in thousands).

Cash	\$ 6,874
Receivables	27,082
Inventories	45,370
Other current assets	468
Property, plant and equipment	28,020
Goodwill	277,005
Intangible assets	164,500
Other non-current assets	134
Total assets	\$ 549,453
Accounts payable	\$ 22,499
Accrued liabilities	3,916
Other long-term liabilities	646
Total liabilities	27,061
Net assets	\$ 522,392

The above purchase price allocation has been determined provisionally, and is subject to revision as additional information about the fair value of individual assets and liabilities becomes available and we ensure our accounting policies are applied at PPC. The provisional measurement of receivables, inventories, property, plant, and equipment, goodwill, deferred income taxes, and other assets and liabilities are subject to change. Any change in the acquisition date fair value of the acquired net assets will change the amount of the purchase price allocable to goodwill.

A single estimate of fair value results from a complex series of judgments about future events and uncertainties and relies heavily on estimates and assumptions. The judgments we have used in estimating the fair values assigned to each class of acquired assets and assumed liabilities could materially affect the results of our operations.

The fair value of acquired receivables is \$27.1 million, with a gross contractual amount of \$27.7 million. We do not expect to collect \$0.6 million of the acquired receivables.

For purposes of the above allocation, we have estimated a fair value adjustment for inventories based on the estimated selling price of the work-in-process and finished goods acquired at the closing date less the sum of the costs to complete the work-in-process, the costs of disposal, and a reasonable profit allowance for our post acquisition selling efforts. We based our estimate of the fair value for the acquired property, plant, and equipment on a valuation study performed by a third party valuation firm. We used various valuation methods including discounted cash flows to estimate the fair value of the identifiable intangible assets.

Goodwill and other intangible assets reflected above were determined to meet the criterion for recognition apart from tangible assets acquired and liabilities assumed. The goodwill is primarily attributable to expected synergies and the assembled workforce. Our tax basis in the acquired goodwill is \$277.0 million. The goodwill balance we recorded is deductible for tax purposes up to the amount of the tax basis. Intangible assets related to the PPC acquisition consisted of the following:

	Estimated Fair Value (In thousands)	Amortization Period (In years)
Intangible assets subject to amortization:		
Developed technologies	\$ 76,000	5.0
Customer relationships	55,000	20.0
Backlog	1,500	0.5
Total intangible assets subject to amortization	132,500	
Intangible assets not subject to amortization:		
Goodwill	277,005	
In-process research and development	5,000	
Trademarks	27,000	
Total intangible assets not subject to amortization	309,005	
Total intangible assets	\$ 441,505	
 Weighted average amortization period		 11.2

Trademarks have been determined by us to have indefinite lives and are not being amortized, based on our expectation that the trademarked products will generate cash flows for us for an indefinite period. We expect to maintain use of trademarks on existing products and introduce new products in the future that will also display the trademarks, thus extending their lives indefinitely. In-process research and development assets are considered indefinite-lived intangible assets until the completion or abandonment of the associated research and development efforts. Upon completion of the development process, we will make a determination of the useful life of the asset and begin amortizing it over that period. If the project is abandoned, we will write-off the asset at such time.

The amortizable intangible assets reflected in the table above were determined by us to have finite lives. The useful life for the developed technologies intangible asset was based on the estimated time that the technology provides us with a competitive advantage and thus approximates the period of consumption of the intangible asset. The useful life for the customer relationship intangible asset was based on our forecasts of customer turnover. The useful life of the backlog intangible asset was based on our estimate of when the ordered items would ship.

Miranda Technologies Inc.

We acquired Miranda Technologies Inc. (Miranda) for cash of \$374.7 million in July 2012. The results of Miranda are reported within the Broadcast segment. There have been no significant changes to the provisional purchase price allocation as compared to December 31, 2012. As of June 30, 2013, we remain in the process of finalizing our analysis of Miranda's income tax assets and liabilities and ensuring our accounting policies are applied at Miranda. Therefore, the provisional measurement of goodwill, deferred income taxes, deferred revenue, and other assets and liabilities are subject to change.

Pro forma PPC and Miranda

The following table illustrates the unaudited pro forma effect on operating results as if the Miranda and PPC acquisitions had been completed as of January 1, 2011.

	Three Months Ended July 1, 2012	Six Months Ended July 1, 2012
	(In thousands, except per share data)	
	(Unaudited)	
Revenues	\$ 560,487	\$ 1,096,399
Income from continuing operations	42,274	65,384
Diluted income per share from continuing operations	\$ 0.91	\$ 1.40

For purposes of the unaudited pro forma disclosures, the three and six months ended July 1, 2012 include interest expense from the term loan borrowed to finance the acquisition of Miranda and from the borrowings under our senior secured credit facility to finance the acquisition of PPC.

The above unaudited pro forma financial information is presented for informational purposes only and does not purport to represent what our results of operations would have been had we completed the acquisitions on the date assumed, nor is it necessarily indicative of the results that may be expected in future periods. Pro forma adjustments exclude cost savings from any synergies resulting from the acquisitions.

Note 3: Operating Segments

In 2013, we re-organized the Company around four global business platforms: Broadcast, Enterprise Connectivity, Industrial Connectivity, and Industrial IT. Previously, we were organized around geographic regions. The re-organization was executed as a result of our transformation into a global provider of comprehensive signal transmission solutions. We believe the new solution oriented organization will allow us to better capitalize on market opportunities and meet customer demands. We have determined that each of the global business platforms represents a reportable segment. We have revised the prior period segment information to conform to the change in the composition of our reportable segments. The All Other segment represents the financial results of our cable operations that primarily conducted business in the consumer electronics end market, which we sold in December 2012.

We allocate corporate expenses to the segments for purposes of measuring segment operating income. Corporate expenses are allocated on the basis of each segment's relative operating income prior to the allocation, adjusted for certain items including asset impairment, severance and other restructuring costs, purchase accounting effects related to acquisitions, accelerated depreciation, and amortization of intangible assets.

	Broadcast Solutions	Enterprise Connectivity Solutions	Industrial Connectivity Solutions	Industrial IT Solutions	All Other	Total Segments
	(In thousands)					
As of and for the three months ended June 30, 2013						
Revenues	\$ 166,551	\$ 132,929	\$ 171,892	\$ 58,119	\$	\$ 529,491
Affiliate revenues	526	2,539	415	30		3,510
Operating income	3,505	14,675	24,344	9,225	1,278	53,027
Total assets	271,441	229,636	241,075	60,439		802,591
As of and for the three months ended July 1, 2012						
Revenues	\$ 74,335	\$ 129,475	\$ 173,640	\$ 56,231	\$ 24,537	\$ 458,218
Affiliate revenues	347	1,768	303	56		2,474
Operating income (loss)	2,467	14,284	26,725	9,782	(1,638)	51,620
Total assets	98,674	228,665	239,595	54,229	72,187	693,350
As of and for the six months ended June 30, 2013						
Revenues	\$ 322,137	\$ 249,556	\$ 348,613	\$ 116,658	\$	\$ 1,036,964
Affiliate revenues	636	5,008	779	60		6,483
Operating income	3,359	23,510	48,793	18,742	1,278	95,682
Total assets	271,441	229,636	241,075	60,439		802,591
As of and for the six months ended July 1, 2012						
Revenues	\$ 144,392	\$ 253,827	\$ 343,273	\$ 107,113	\$ 49,213	\$ 897,818
Affiliate revenues	506	3,416	601	96		4,619
Operating income (loss)	3,635	24,036	45,698	15,495	(2,180)	86,684
Total assets	98,674	228,665	239,595	54,229	72,187	693,350

Total segment assets do not include cash, goodwill and intangible assets, deferred tax assets, or corporate assets.

The following table is a reconciliation of the total of the reportable segments operating income to consolidated income from continuing operations before taxes.

	Three Months Ended		Six Months Ended	
	June 30, 2013	July 1, 2012	June 30, 2013	July 1, 2012
	(In thousands)			
Segment operating income	\$ 53,027	\$ 51,620	\$ 95,682	\$ 86,684
Income from equity method investment	2,256	1,960	4,527	4,701
Eliminations	(1,370)	(543)	(2,056)	(1,222)
Total operating income	53,913	53,037	98,153	90,163
Interest expense	(18,345)	(12,499)	(34,250)	(24,418)
Interest income	149	211	257	562
Income from continuing operations before taxes	\$ 35,717	\$ 40,749	\$ 64,160	\$ 66,307

Note 4: Income per Share

The following table presents the basis for the income per share computations:

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	Three Months Ended		Six Months Ended	
	June 30, 2013	July 1, 2012	June 30, 2013	July 1, 2012
(In thousands)				
Numerator:				
Income from continuing operations	\$ 29,492	\$ 39,705	\$ 51,737	\$ 59,444
Income from discontinued operations, net of tax		2,685		7,221
Net income	\$ 29,492	\$ 42,390	\$ 51,737	\$ 66,665
Denominator:				
Weighted average shares outstanding, basic	43,928	45,526	44,173	45,720
Effect of dilutive common stock equivalents	862	779	934	903
Weighted average shares outstanding, diluted	44,790	46,305	45,107	46,623

For both the three and six months ended June 30, 2013, diluted weighted average shares outstanding do not include outstanding equity awards of 0.3 million, because to do so would have been anti-dilutive. For the three and six months ended July 1, 2012, diluted weighted average shares outstanding do not include outstanding equity awards of 1.3 million and 1.0 million, respectively, because to do so would have been anti-dilutive.

For purposes of calculating basic earnings per share, unvested restricted stock units are not included in the calculation of basic weighted average shares outstanding until all necessary conditions have been satisfied and issuance of the shares underlying the restricted stock units is no longer contingent. Necessary conditions are not satisfied until the vesting date, at which time holders of our restricted stock units receive shares of our common stock.

For purposes of calculating diluted earnings per share, unvested restricted stock units are included to the extent that they are dilutive. In determining whether unvested restricted stock units are dilutive, each issuance of restricted stock units is considered separately.

Once a restricted stock unit has vested, it is included in the calculation of both basic and diluted weighted average shares outstanding.

Note 5: Inventories

The major classes of inventories were as follows:

	June 30, 2013	December 31, 2012
(In thousands)		
Raw materials	\$ 81,070	\$ 92,072
Work-in-process	35,375	34,391
Finished goods	112,488	110,280
Perishable tooling and supplies	2,349	2,493
Gross inventories	231,282	239,236
Obsolescence and other reserves	(21,591)	(23,954)
Net inventories	\$ 209,691	\$ 215,282

Note 6: Long-Lived Assets

Disposals

During the six months ended June 30, 2013, we sold certain real estate of the Broadcast segment for \$1.0 million and recognized a \$0.3 million loss on the sale. We also sold certain real estate of the Enterprise Connectivity segment for \$2.1 million. There was no gain or loss on the sale.

In 2012, we sold our cable operations that primarily conducted business in the consumer electronics end market in China. For both the three and six months ended June 30, 2013, we recorded a \$1.3 million gain on the sale due to a favorable resolution with the buyer of those assets regarding the closing date working capital.

Depreciation and Amortization Expense

We recognized depreciation expense in income from continuing operations of \$12.1 million and \$21.7 million in the three and six months ended June 30, 2013, respectively. Depreciation expense for both the three and six months ended June 30, 2013 included \$2.7 million of accelerated depreciation as a result of our decision to consolidate manufacturing facilities as we integrate PPC. We recognized depreciation expense in income from continuing operations of \$8.6 million and \$17.3 million in the three and six months ended July 1, 2012, respectively.

We recognized amortization expense in income from continuing operations related to our intangible assets of \$13.1 million and \$26.1 million in the three and six months ended June 30, 2013, respectively. We recognized amortization expense in income from continuing operations related to our intangible assets of \$2.4 million and \$5.5 million in the three and six months ended July 1, 2012, respectively.

Note 7: Restructuring Activities

For the three and six months ended June 30, 2013, we recorded severance and other restructuring costs of \$5.0 million and \$5.8 million, respectively. The majority of these costs were recorded in our Broadcast segment, which recognized \$3.5 million and \$4.3 million of severance and other restructuring costs for the three and six months ended June 30, 2013, respectively. The other restructuring costs included relocation, equipment transfer, and other costs. The Broadcast segment also recorded \$2.7 million of accelerated depreciation expense for both the three and six months ended June 30, 2013. These costs were incurred primarily as a result of facility consolidation in New York for recently acquired locations and other acquisition integration activities. The Industrial IT segment also recognized \$1.3 million of severance expense for both the three and six months ended June 30, 2013.

Of the total severance and other restructuring costs recognized for the three months ended June 30, 2013, \$3.1 million, \$1.0 million, and \$0.9 million were included in cost of sales, selling, general and administrative expenses, and research and development, respectively. Of the total severance and other restructuring costs recognized for the six months ended June 30, 2013, \$3.2 million, \$1.6 million, and \$1.0 million were included in cost of sales, selling, general and administrative expenses, and research and development, respectively. We expect the majority of the costs related to these actions will be paid in 2013.

We expect to incur additional severance and other restructuring costs and accelerated depreciation expense in 2013 of approximately \$11 million as a result of the Broadcast activities discussed above. We continue to review our business strategies and evaluate potential new restructuring actions. This could result in additional restructuring costs in future periods.

Note 8: Long-Term Debt and Other Borrowing Arrangements

The carrying values of our long-term debt and other borrowing arrangements were as follows:

	June 30, 2013	December 31, 2012
	(In thousands)	
Senior secured credit facility:		
Term Loan	\$ 232,147	\$ 247,714
Revolving credit component		198,270
Total senior secured credit facility	232,147	445,984
Senior subordinated notes:		
5.5% Senior subordinated notes due 2022	700,000	700,000
5.5% Senior subordinated notes due 2023	393,546	
9.25% Senior subordinated notes due 2019	5,221	5,221
Total senior subordinated notes	1,098,767	705,221
Total debt and other borrowing arrangements	1,330,914	1,151,205
Less current maturities of Term Loan	(23,810)	(15,678)
Long-term debt	\$ 1,307,104	\$ 1,135,527

Senior Secured Facility

In 2012, we amended our senior secured credit facility (Senior Secured Facility) and borrowed a CAD\$250.0 million term loan (the Term Loan). The Term Loan matures in 2017 and requires quarterly amortization payments. Interest on the Term Loan is variable, based upon the three-month Canadian money-market rate plus an applicable spread (3.82% at June 30, 2013).

The borrowing capacity under the revolving credit component of our Senior Secured Facility is \$400.0 million, and it matures on April 25, 2016. Under the revolving credit component, we are permitted to borrow and re-pay funds in various currencies. Interest on outstanding borrowings is variable, based on either the three month LIBOR rate or the prime rate. As of June 30, 2013, there were no borrowings outstanding under the revolving credit component, and we had \$386.6 million in available borrowing capacity, as our borrowing capacity is also reduced by outstanding credit instruments of \$13.4 million. We pay a commitment fee on our available borrowing capacity, which ranges from 0.25% to 0.50%, depending on our leverage ratio.

Borrowings under our Senior Secured Facility are secured by certain of our assets in the United States as well as the capital stock of certain of our subsidiaries. The Senior Secured Facility contains a leverage ratio covenant and a fixed charge coverage ratio covenant. As of June 30, 2013, we were in compliance with all of the covenants of the Senior Secured Facility.

Senior Subordinated Notes

In March 2013, we issued 300.0 million (\$388.2 million at issuance) aggregate principal amount of 5.5% senior subordinated notes due 2023. The carrying value of the notes as of June 30, 2013 is \$393.5 million. The notes are guaranteed on a senior subordinated basis by certain of our subsidiaries. The notes rank equal in right of payment with our senior subordinated notes due 2022 and 2019 and with any future subordinated debt, and they are subordinated to all of our senior debt and the senior debt of our subsidiary guarantors, including our Senior Secured Facility. Interest is payable semiannually on April 15 and October 15 of each year, beginning October 15, 2013. We paid \$7.8 million of fees associated with the issuance of the notes, which are being amortized over the life of the notes using the effective interest method. We used the net proceeds from the transaction to repay amounts outstanding under the revolving credit component of our Senior Secured Facility and for general corporate purposes.

As of June 30, 2013, we have \$700.0 million aggregate principal amount of 5.5% senior subordinated notes due 2022 outstanding. The notes are guaranteed on a senior subordinated basis by certain of our subsidiaries. The notes rank equal in right of payment with our senior subordinated notes due 2019 and 2023 and with any future subordinated debt, and they are subordinated to all of our senior debt and the senior debt of our subsidiary guarantors, including our Senior Secured Facility. Interest is payable semiannually on March 1 and September 1 of each year.

As of June 30, 2013, \$5.2 million aggregate principal amount of our senior subordinated notes due 2019 remain outstanding. The senior subordinated notes due 2019 have a coupon interest rate of 9.25%, and an effective interest rate of 9.75%. The interest on the 2019 notes is payable semiannually on June 15 and December 15. The notes are guaranteed on a senior subordinated basis by certain of our subsidiaries. The notes rank equal in right of payment with our senior subordinated notes due 2022 and 2023 and with any future subordinated debt, and they are subordinated to all of our senior debt and the senior debt of our subsidiary guarantors, including our Senior Secured Facility.

Fair Value of Long-Term Debt

The fair value of our senior subordinated notes at June 30, 2013 was approximately \$1,077 million based on quoted prices of the debt instruments in inactive markets (Level 2 valuation). This amount represents the fair values of our senior subordinated notes with a carrying value of \$1,099 million as of June 30, 2013. We believe the fair value of our variable rate Term Loan approximates book value.

Note 9: Derivatives and Hedging Activities

During 2012, we entered into foreign currency forward contracts that were formally designated and qualified as net investment hedges. We recognized a \$2.5 million pre-tax gain in Accumulated Other Comprehensive Income for both the three and six months ended July 1, 2012 related to these hedges. We collected \$2.7 million in proceeds upon the settlement of foreign currency forward contracts for the six months ended July 1, 2012. There were no outstanding derivatives as of December 31, 2012 or as of or for the three and six months ended June 30, 2013.

Note 10: Income Taxes

Income tax expense was \$6.2 million and \$12.4 million for the three and six months ended June 30, 2013, respectively. The most significant factor in the difference between the effective tax rate of 17.4% and 19.4% for the three and six months ended June 30, 2013, respectively, and the amount determined by applying the applicable statutory United States tax rate of 35% is the tax rate differential associated with our foreign earnings.

Income tax expense for the six months ended June 30, 2013 included a \$5.2 million tax benefit due to the impact of tax law changes in the U.S. In addition, for the six months ended June 30, 2013, we recorded \$3.7 million of income tax expense for an uncertain tax position liability related to a foreign tax audit. Income tax expense for the six months ended July 1, 2012 included a tax benefit of \$10.4 million due to reductions in our deferred tax asset valuation allowance associated with net operating losses in certain foreign tax jurisdictions.

For the six months ended June 30, 2013, we made planned payments of two significant tax items. First, we paid \$41.8 million of our estimated 2012 tax liability related to the sale of the Thermax and Raydex cable business in 2012. We recognized a \$211.6 million pre-tax gain on the sale of this business in 2012. Second, we paid \$30.0 million to settle a tax sharing agreement dispute with Cooper Industries. We reached the settlement and recognized a \$21.0 million tax benefit in 2012.

Note 11: Pension and Other Postretirement Obligations

The following table provides the components of net periodic benefit costs for our pension and other postretirement benefit plans:

	Pension Obligations		Other Postretirement Obligations	
	June 30, 2013	July 1, 2012	June 30, 2013	July 1, 2012
	(In thousands)			
Three Months Ended				
Service cost	\$ 1,676	\$ 1,432	\$ 35	\$ 30
Interest cost	2,914	3,037	557	545
Expected return on plan assets	(3,391)	(3,169)		
Amortization of prior service credit	(8)	(19)	(28)	(29)
Actuarial losses	1,665	1,490	320	223
Net periodic benefit cost	\$ 2,856	\$ 2,771	\$ 884	\$ 769
Six Months Ended				
Service cost	\$ 3,364	\$ 2,864	\$ 68	\$ 62
Interest cost	5,862	6,047	1,083	1,133
Expected return on plan assets	(6,797)	(6,333)		
Amortization of prior service credit	(16)	(39)	(55)	(58)
Actuarial losses	3,333	2,982	598	485
Net periodic benefit cost	\$ 5,746	\$ 5,521	\$ 1,694	\$ 1,622

Note 12: Comprehensive Income and Accumulated Other Comprehensive Income (Loss)

The following table summarizes total comprehensive income:

	Three Months Ended		Six Months Ended	
	June 30, 2013	July 1, 2012	June 30, 2013	July 1, 2012
	(In thousands)			
Net income	\$ 29,492	\$ 42,390	\$ 51,737	\$ 66,665
Foreign currency translation loss	(6,743)	(29,698)	(15,269)	(19,072)
Foreign currency hedging instruments, net of \$0.0 million, \$1.1 million, \$0.0 million, and \$1.1 million tax, respectively		1,460		1,460
Amortization of pension and other postretirement benefit plan losses, net of \$0.8 million, \$0.0 million, \$1.5 million, and \$0.0 million tax, respectively	1,201		2,374	
Total comprehensive income	\$ 23,950	\$ 14,152	\$ 38,842	\$ 49,053

The accumulated balances related to each component of other comprehensive income (loss), net of tax, are as follows:

	Foreign Currency Translation Component	Pension and Other Postretirement Benefit Plans (In thousands)	Accumulated Other Comprehensive Income (Loss)
Balance at December 31, 2012	\$ 28,516	\$ (59,081)	\$ (30,565)
Other comprehensive loss before reclassifications	(15,269)		(15,269)
Amounts reclassified from accumulated other comprehensive income (loss)		2,374	2,374
Net current period other comprehensive income (loss)	(15,269)	2,374	(12,895)
Balance at June 30, 2013	\$ 13,247	\$ (56,707)	\$ (43,460)

The following table summarizes the effects of reclassifications from accumulated other comprehensive income (loss) for the six months ended June 30, 2013:

	Amount Reclassified from Accumulated Other Comprehensive Income (Loss) (In thousands)	Affected Line Item in the Consolidated Statements of Operations and Comprehensive Income
Amortization of pension and other postretirement benefit plan items:		
Actuarial losses	\$ 3,931	(1)
Amortization of prior service credit	(71)	(1)
Total before tax	3,860	
Tax benefit	(1,486)	
Net of tax	\$ 2,374	

- (1) The amortization of these accumulated other comprehensive income (loss) components are included in the computation of net periodic benefit costs (see Note 11).

Note 13: Share Repurchases

In 2011, our Board of Directors authorized a share repurchase program, which allows us to purchase up to \$150.0 million of our common stock through open market repurchases, negotiated transactions, or other means, in accordance with applicable securities laws and other restrictions. The program does not have an expiration date and may be suspended at any time at the discretion of the Company. In 2012, our Board of Directors authorized an extension of the share repurchase program, which allows us to purchase up to an additional \$200.0 million of our common stock through open market repurchases, negotiated transactions, or other means, in accordance with applicable securities laws and other restrictions. This program is funded by cash on hand and cash flows from operating activities.

For the three months ended June 30, 2013, we repurchased 0.6 million shares of our common stock under the program through prepaid variable share repurchase agreements for an aggregate cost of \$31.3 million and an average price per share of \$53.49. For the six months ended June 30, 2013, we repurchased 1.2 million shares of our common stock under the program through prepaid variable share repurchase agreements for an aggregate cost of \$62.5 million and an average price per share of \$52.21. From inception of the program to June 30, 2013, we have repurchased 4.9 million shares of our common stock under the programs for an aggregate cost of \$187.5 million and an average price of \$38.23.

Item 2: Management's Discussion and Analysis of Financial Condition and Results of Operations
Overview

Belden designs, manufactures, and markets signal transmission solutions for the broadcast, enterprise, and industrial markets. Our products are designed and manufactured to strict quality standards resulting in an industry leading reputation for worldwide reliability.

We consider revenue growth, operating margin, cash flows, return on invested capital, and working capital management metrics to be our key operating performance indicators.

Trends and Events

The following trends and events during 2013 have had varying effects on our financial condition, results of operations, and cash flows.

Change in Segments

In 2013, we re-organized the Company around four global business platforms: Broadcast, Enterprise Connectivity, Industrial Connectivity, and Industrial IT. The re-organization was executed as a result of our transformation into a global provider of comprehensive signal transmission solutions. We have determined that each of the global business platforms represents a reportable segment. We have revised the prior period segment information to conform to the change in the composition of our reportable segments.

Commodity Prices

Our operating results can be affected by changes in prices of commodities, primarily copper and compounds, which are components in some of the products we sell. Generally, as the costs of inventory purchases increase due to higher commodity prices, we raise selling prices to customers to cover the increase in costs, resulting in higher sales revenue but a lower gross profit percentage. Conversely, a decrease in commodity prices would result in lower sales revenue but a higher gross profit percentage. Selling prices of our products are affected by many factors, including end market demand, capacity utilization, overall economic conditions, and commodity prices. Importantly, however, there is no exact measure of the effect of changing commodity prices, as there are thousands of transactions in any given quarter, each of which has various factors involved in the individual pricing decisions. Therefore, all references to the effect of copper prices or other commodity prices are estimates.

Channel Inventory

Our operating results also can be affected by the levels of Belden products held as inventory by our channel partners and customers. Our channel partners and customers purchase and hold our products in their inventory in order to meet the service and on-time delivery requirements of their customers. Generally, as our channel partners and customers change the level of Belden products owned and held in their inventory, it impacts our revenues. Comparisons of our results between periods can be impacted by changes in the levels of channel inventory. All references to the effect of channel inventory changes are estimates.

Acquisitions and Dispositions

We completed the acquisitions of Miranda Technologies Inc. (Miranda) in July 2012, PPC Broadband, Inc. (PPC) in December 2012, and Softel Limited (Softel) in January 2013. The results of Miranda, PPC, and Softel have been included in our Consolidated Financial Statements from their respective acquisition dates and are reported within the Broadcast segment. We sold our cable operations that primarily conducted business in the consumer electronics end market on December 31, 2012.

Restructuring Activities

As a result of recently completed acquisitions, we are consolidating certain operating facilities. For the six months ended June 30, 2013, we recognized \$5.8 million of severance and other restructuring costs, such as relocation and equipment transfer costs, and \$2.7 million of accelerated depreciation expense, primarily as a result of facility consolidation in New York and other acquisition integration activities. We expect to incur additional severance and other restructuring costs and accelerated depreciation expense in 2013 of approximately \$11 million as a result of these activities. We continue to review our business strategies and evaluate potential new restructuring actions. This could result in additional restructuring costs in future periods.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, results of operations, or cash flows that are or would be considered material to investors.

Critical Accounting Policies

During the six months ended June 30, 2013:

We did not change any of our existing critical accounting policies from those listed in our 2012 Annual Report on Form 10-K; No existing accounting policies became critical accounting policies because of an increase in the materiality of associated transactions or changes in the circumstances to which associated judgments and estimates relate; and There were no significant changes in the manner in which critical accounting policies were applied or in which related judgments and estimates were developed.

Results of OperationsConsolidated Continuing Operations

	Three Months Ended		%	Six Months Ended		%
	June 30, 2013	July 1, 2012		June 30, 2013	July 1, 2012	
	(In thousands, except percentages)					
Revenues	\$ 529,491	\$ 458,218	15.6%	\$ 1,036,964	\$ 897,818	15.5%
Gross profit	179,196	144,648	23.9%	346,549	277,447	24.9%
Selling, general and administrative expenses	93,503	76,342	22.5%	185,485	157,864	17.5%
Research and development	20,931	14,814	41.3%	41,356	28,622	44.5%
Operating income	53,913	53,037	1.7%	98,153	90,163	8.9%
Income from continuing operations before taxes	35,717	40,749	-12.3%	64,160	66,307	-3.2%
Income from continuing operations	29,492	39,705	-25.7%	51,737	59,444	-13.0%

Revenues increased in the three and six months ended June 30, 2013 from the comparable periods of 2012 primarily due to acquisitions, which contributed \$100.5 million and \$197.3 million of the increases, respectively.

The increases in revenues due to acquisitions were partially offset by the following decreases:

The disposal of our cable operations that primarily conducted business in the consumer electronics end market in 2012 resulted in \$24.5 million and \$49.2 million of the decreases in revenues, respectively.

Decreases in sales prices due to lower copper costs resulted in estimated revenue decreases of approximately \$4.0 million for both the three and six months ended June 30, 2013.

Decreases in unit sales volume, including changes in channel inventory, resulted in approximately \$1.3 million and \$4.7 million decreases in revenues, respectively. Decreases in volume were due in part to weak economic conditions, particularly in Europe, as well as weak non-residential construction spending. We believe these areas of weakness were partially mitigated by market share gains in industrial end markets and growth in emerging markets.

Unfavorable currency translation resulted in a revenue decrease of approximately \$0.3 million for the six months ended June 30, 2013. For the three months ended June 30, 2013, currency translation was favorable and resulted in a revenue increase of approximately \$0.6 million. Gross profit increased in the three and six months ended June 30, 2013 from the comparable periods of 2012 due to the increases in revenues as discussed above. Gross profit for the three months ended June 30, 2013 was negatively impacted by \$3.1 million of severance and other restructuring costs and \$2.7 million of accelerated depreciation expense. Gross profit for the six months ended June 30, 2013 was negatively impacted by \$6.6 million of cost of sales arising from the adjustment of inventory to fair value related to our acquisition of PPC, \$3.2 million of severance and other restructuring costs and \$2.7 million of accelerated depreciation expense. The severance and other restructuring costs and accelerated depreciation expense primarily resulted from our decision to consolidate manufacturing facilities as we integrate PPC. Excluding the impact of these costs, our gross profit percentage increased from 31.6% and 30.9% for the three and six months ended July 1, 2012, respectively, to 34.9% and 34.6% for the three and six months ended June 30, 2013, respectively. This was due to improved product and end-market mix, improved productivity due to our Lean Enterprise initiatives, and the impact of our acquisitions of Miranda and PPC.

Selling, general and administrative expenses increased in the three and six months ended June 30, 2013 from the comparable periods of 2012 primarily due to the impact of our acquisitions completed in 2012.

The increases in research and development costs in the three and six months ended June 30, 2013 from the comparable periods of 2012 were primarily due to increased investments in new product development and our recent technology intensive acquisitions.

Amortization of intangibles increased by \$10.7 million and \$20.6 million in the three and six months ended June 30, 2013, respectively, from the comparable periods of 2012 due to the impact of our acquisitions completed in 2012.

Operating income increased in the three and six months ended June 30, 2013 from the comparable periods of 2012 due to the increases in revenues and gross profit as discussed above. Operating income for the three months ended June 30, 2013 included \$13.1 million of amortization of intangible assets, \$5.0 million of severance and other restructuring costs, and \$2.7 million of accelerated depreciation expense. Operating income for the six months ended June 30, 2013 included \$26.1 million of amortization of intangible assets, \$6.6 million of cost of sales related to the adjustment of acquired inventory to fair value, \$5.8 million of severance and other restructuring costs, and \$2.7 million of accelerated depreciation expense. Operating income for the three and six months ended July 1, 2012 included \$2.4 million and \$5.5 million of amortization of intangible assets, respectively. Excluding these costs, our operating income percentage increased from 12.1% and 10.7% for the three and six months ended July 1, 2012, respectively, to 14.1% and 13.4% for the three and six months ended June 30, 2013, respectively. This was due to an improved business portfolio, improved end-market mix, improved productivity as a result of the successful execution of our Lean Enterprise strategies, and our previously completed restructuring activities.

Interest expense increased in the three and six months ended June 30, 2013 from the comparable periods of 2012 due to our increase in total debt incurred to finance our recent acquisitions. While our total debt has increased, our effective interest rate on our outstanding borrowings decreased from 7.8% as of July 1, 2012 to 5.2% as of June 30, 2013 due to our refinancing activities in 2012. Interest expense for the six months ended June 30, 2013 also includes \$1.5 million of interest expense associated with an uncertain tax position for a foreign tax audit.

Income from continuing operations before taxes decreased in the three and six months June 30, 2013 from the comparable periods of 2012 due to the increases in interest expense discussed above, partially offset by the increases in operating income.

Our effective tax rate for the six months ended June 30, 2013 was 19.4%, compared to 10.4% for the six months ended July 1, 2012. Income tax expense for the six months ended June 30, 2013 included a \$5.2 million tax benefit due to the impact of tax law changes in the U.S. In addition, for the six months ended June 30, 2013, we recorded \$3.7 million of income tax expense for an uncertain tax position liability related to a foreign tax audit. For the six months ended July 1, 2012, we recorded tax benefits of \$10.4 million due to reductions of our valuation allowance for certain deferred tax assets.

Broadcast Solutions

	Three Months Ended		% Change	Six Months Ended		% Change
	June 30, 2013	July 1, 2012		June 30, 2013	July 1, 2012	
	(In thousands, except percentages)					
Revenues	\$ 166,551	\$ 74,335	124.1%	\$ 322,137	\$ 144,392	123.1%
Operating income	3,505	2,467	42.1%	3,359	3,635	-7.6%
<i>as a percent of total revenues</i>	<i>2.1%</i>	<i>3.3%</i>		<i>1.0%</i>	<i>2.5%</i>	

Broadcast revenues increased in the three and six months ended June 30, 2013 from the comparable periods of 2012 primarily due to acquisitions, which contributed \$100.5 million and \$197.3 million to the increases in revenues, respectively. Pricing changes related to non-copper commodity cost increases and other pricing changes resulted in increases in revenues of \$0.7 million and \$0.7 million, respectively. The increases in revenues were partially offset by decreases in unit sales volume, including the impact of changes in channel inventory, of approximately \$7.8 million and \$18.9 million, respectively. The decreases in volume were due in part to the favorable impact of the Olympics and the U.S. presidential election cycle in 2012. Decreases in sales prices due to lower copper costs resulted in estimated revenue decreases of approximately \$1.0 million and \$1.0 million, respectively. Unfavorable currency translation resulted in approximately \$0.2 million and \$0.4 million decreases in revenues, respectively.

Operating income increased in the three months ended June 30, 2013 from the comparable period of 2012 due to the increases in revenue discussed above. Operating income decreased in the six months ended June 30, 2013 from the comparable period of 2012. Operating income for the three months ended June 30, 2013 was negatively impacted by \$11.9 million of amortization of intangibles, \$3.5 million of severance and other restructuring costs, and \$2.7 million of accelerated depreciation expense. Operating income for the six months ended June 30, 2013 was negatively impacted by \$23.7 million of amortization of intangibles, \$6.6 million of cost of sales arising from the adjustment of inventory to fair value related to our acquisition of PPC, \$4.3 million of severance and other restructuring costs, and \$2.7 million of accelerated depreciation expense. The severance and other restructuring costs and accelerated depreciation expense primarily resulted from our decision to consolidate manufacturing facilities as we integrate PPC. The three and six months ended July 1, 2012 included \$1.0 million and \$2.0 million of amortization of intangibles, respectively. Excluding the impact of these costs, Broadcast operating income percentage increased from 4.7% and 3.9% for the three and six months ended July 1, 2012, respectively, to 13.0% and 12.6% for the three and six months ended June 30, 2013, respectively. This was due to the impact of our acquisitions of Miranda and PPC, as well as the benefit of product mix.

Enterprise Connectivity Solutions

	Three Months Ended		%	Six Months Ended		%
	June 30, 2013	July 1, 2012		June 30, 2013	July 1, 2012	
			Change			Change
	(In thousands, except percentages)					
Revenues	\$ 132,929	\$ 129,475	2.7%	\$ 249,556	\$ 253,827	-1.7%
Operating income	14,675	14,284	2.7%	23,510	24,036	-2.2%
<i>as a percent of total revenues</i>	<i>11.0%</i>	<i>11.0%</i>		<i>9.4%</i>	<i>9.5%</i>	

Enterprise Connectivity revenues increased in the three months ended June 30, 2013 from the comparable period of 2012 due to an increase in unit sales volume of approximately \$5.7 million. We believe sales volume was positively impacted by changes in channel inventory. Revenues also increased by \$0.3 million due to favorable currency translation. These increases were partially offset by decreases in selling prices due to pricing changes and non-copper commodity cost decreases that resulted in lower revenues of approximately \$1.5 million. In addition, lower copper costs resulted in an estimated revenue decrease of approximately \$1.0 million.

Enterprise Connectivity revenues decreased in the six months ended June 30, 2013 from the comparable period of 2012 due to decreases in unit sales volume of approximately \$2.2 million. The decrease in unit sales volume was due in part to weak economic conditions, particularly in Europe, as well as weak non-residential construction spending. Decreases in selling prices due to pricing changes and non-copper commodity cost decreases resulted in lower revenues of approximately \$1.5 million. Lower copper costs resulted in an estimated revenue decrease of approximately \$1.0 million. These revenue decreases were partially offset by favorable currency translation, which resulted in a revenue increase of approximately \$0.3 million.

Operating income increased in the three months ended June 30, 2013 and decreased in the six months ended June 30, 2013 from the comparable periods of 2012 due to the changes in revenue discussed above. Operating income benefited from improved productivity due to our Lean Enterprise initiatives.

Industrial Connectivity Solutions

	Three Months Ended		%	Six Months Ended		%
	June 30, 2013	July 1, 2012		June 30, 2013	July 1, 2012	
			Change			Change
	(In thousands, except percentages)					
Revenues	\$ 171,892	\$ 173,640	-1.0%	\$ 348,613	\$ 343,273	1.6%
Operating income	24,344	26,725	-8.9%	48,793	45,698	6.8%
<i>as a percent of total revenues</i>	<i>14.2%</i>	<i>15.4%</i>		<i>14.0%</i>	<i>13.3%</i>	

Industrial Connectivity revenues decreased in the three months ended June 30, 2013 from the comparable period of 2012. Decreases in sales prices due to lower copper costs resulted in an estimated revenue decrease of \$2.0 million. Unfavorable currency translation resulted in a decrease in revenue of approximately \$0.2 million. These decreases in revenue were partially offset by an increase in revenue due to an increase in unit sales volume of \$0.5 million. We believe sales volume benefited from gains in market share due to the execution of our Market Delivery System.

Industrial Connectivity revenues increased in the six months ended June 30, 2013 from the comparable period of 2012 due to increases in unit sales volume, including changes in channel inventory, of approximately \$8.5 million. We believe sales volume benefited from gains in market share due to the execution of our Market Delivery System. Decreases in sales prices due to lower copper costs and unfavorable currency translation partially offset the increases in revenues by an estimated \$2.0 million and \$1.2 million, respectively.

Operating income decreased in the three months ended June 30, 2013 and increased in the six months ended June 30, 2013 from the comparable periods of 2012 due to the changes in revenue discussed above. Operating income benefited from improved productivity due to our Lean Enterprise initiatives.

Industrial IT Solutions

	Three Months Ended		%	Six Months Ended		%
	June 30, 2013	July 1, 2012		June 30, 2013	July 1, 2012	
	(In thousands, except percentages)					
Revenues	\$ 58,119	\$ 56,231	3.4%	\$ 116,658	\$ 107,113	8.9%
Operating income	9,225	9,782	-5.7%	18,742	15,495	21.0%
<i>as a percent of total revenues</i>	<i>15.9%</i>	<i>17.4%</i>		<i>16.1%</i>	<i>14.5%</i>	

Industrial IT revenues increased in the three and six months ended June 30, 2013 from the comparable periods of 2012 due to increases in unit sales volume, including changes in channel inventory, of approximately \$1.2 million and \$8.5 million, respectively. We believe sales volume benefited from gains in market share due to the execution of our Market Delivery System. Revenues also increased by approximately \$0.7 million and \$1.0 million due to favorable currency translation.

Operating income decreased in the three months ended June 30, 2013 and increased in the six months ended June 30, 2013 from the comparable periods of 2012. Operating income in both the three and six months ended June 30, 2013 was negatively impacted by \$1.3 million of severance expense. Excluding the severance expense, the Industrial IT operating income percentage increased from 17.4% and 14.5% for the three and six months ended July 1, 2012, respectively, to 18.2% and 17.2% for the three and six months ended June 30, 2013, respectively. The increases in operating income percentage were due to leveraging the increases in revenue discussed above. In addition, we believe increases in market share had a favorable impact on operating income.

All Other

	Three Months Ended		%	Six Months Ended		%
	June 30, 2013	July 1, 2012		June 30, 2013	July 1, 2012	
	(In thousands, except percentages)					
Revenues	\$	\$ 24,537	-100.0%	\$	\$ 49,213	-100.0%
Operating income (loss)	1,278	(1,638)	178.0%	1,278	(2,180)	158.6%
<i>as a percent of total revenues</i>	<i>n/a</i>	<i>-6.7%</i>		<i>n/a</i>	<i>-4.4%</i>	

All Other includes the results of our cable operations that primarily conducted business in the consumer electronics end market in China, which we sold in 2012. For the three and six months ended June 30, 2013, we recorded \$1.3 million of operating income due to a favorable resolution with the buyer of those assets regarding the closing date working capital.

Discontinued Operations

In 2012, we sold our Thermax and Raydex cable business, and the results of operations of Thermax and Raydex in 2012 are reported in discontinued operations. Operating results from discontinued operations for the three and six months ended July 1, 2012 include \$25.8 million and \$50.5 million, respectively, of revenues and \$5.3 million and \$12.1 million, respectively, of income before taxes from Thermax and Raydex.

In 2010, we completed the sale of Trapeze Networks, Inc. (Trapeze) for \$152.1 million. At the time the transaction closed, we received \$136.9 million in cash, and the remaining \$15.2 million was placed in escrow as partial security for our indemnity obligations under the sale agreement. As of June 30, 2013, we have collected a partial settlement of \$4.2 million from the escrow, and we remain in negotiations with the buyer of Trapeze regarding the status of the escrow and certain claims raised by the buyer. Based on the current status of the negotiations, the amount of the escrow receivable on our Condensed Consolidated Balance Sheet is \$3.8 million, which is our best estimate of the remaining amount to be collected.

Liquidity and Capital Resources

Significant factors affecting our cash liquidity include (1) cash from operating activities, (2) disposals of businesses and tangible assets, (3) exercises of stock options, (4) cash used for acquisitions, restructuring actions, capital expenditures, share repurchases, dividends, and senior subordinated note repurchases, and (5) our available credit facilities and other borrowing arrangements. We expect our operating activities to generate cash in 2013 and believe our sources of liquidity are sufficient to fund current working capital requirements, capital expenditures, contributions to our retirement plans, share repurchases, senior subordinated note repurchases, quarterly dividend payments, and our short-term operating strategies. However, we would require external financing were we to complete a significant acquisition. Our ability to continue to fund our future needs from business operations could be affected by many factors, including, but not limited to: economic conditions worldwide, customer demand, competitive market forces, customer acceptance of our product mix, and commodities pricing.

The following table is derived from our Condensed Consolidated Cash Flow Statements:

	Six Months Ended	
	June 30, 2013	July 1, 2012
	(In thousands)	
Net cash provided by (used for):		
Operating activities	\$ (16,500)	\$ 30,562
Investing activities	(23,374)	(21,987)
Financing activities	122,578	(46,472)
Effects of currency exchange rate changes on cash and cash equivalents	(1,598)	(7,541)
Increase (decrease) in cash and cash equivalents	81,106	(45,438)
Cash and cash equivalents, beginning of period	395,095	382,716
Cash and cash equivalents, end of period	\$ 476,201	\$ 337,278

Net cash used for operating activities totaled \$16.5 million for the six months ended June 30, 2013 compared to a source of cash of \$30.6 million for the six months ended July 1, 2012. The most significant factor impacting the increased cash used for operating activities was the change in operating assets and liabilities. For the six months ended June 30, 2013, changes in operating assets and liabilities were a use of cash of \$115.3 million, compared to \$51.1 million for the comparable period of 2012.

The most significant use of cash for operating activities in 2013 related to taxes. Accrued taxes were a use of cash of \$85.8 million for the six months ended June 30, 2013, compared to a source of cash of \$3.6 million for the six months ended July 1, 2012. For the six months ended June 30, 2013, we made planned payments of two significant tax items. First, we paid \$41.8 million of our estimated 2012 tax liability related to the sale of the Thermax and Raydex cable business in 2012. We recognized a \$211.6 million pre-tax gain on the sale of this business in 2012. Second, we paid \$30.0 million to settle a tax sharing agreement dispute with Cooper Industries. We reached the settlement and recognized a \$21.0 million tax benefit in 2012.

Net cash used for investing activities totaled \$23.4 million for the six months ended June 30, 2013 compared to \$22.0 million for the six months ended July 1, 2012. Investing activities for the six months ended June 30, 2013 included capital expenditures of \$20.3 million, payments for acquisitions, net of cash acquired, of \$10.0 million, the receipt of proceeds from previously disposed businesses of \$3.7 million, and the receipt of \$3.1 million of proceeds from the sale of tangible assets, primarily real estate in the Broadcast and Enterprise Connectivity segments. Investing activities for the six months ended July 1, 2012 included capital expenditures of \$21.8 million and a payment related to a previous acquisition of \$0.6 million.

Net cash provided by financing activities for the six months ended June 30, 2013 totaled \$122.6 million compared to cash used for financing activities of \$46.5 million for the six months ended July 1, 2012. The most significant financing activities for the six months ended June 30, 2013 were the issuance of \$388.2 million of 5.5% senior subordinated notes due 2023 and the subsequent repayment of \$194.1 million of borrowings outstanding under the revolving credit component of our senior secured credit facility. Financing activities for the six months ended June 30, 2013 also included payments under our share repurchase program of \$62.5 million, payments of debt issuance costs of \$7.8 million, and a repayment under our Term Loan of \$3.1 million. The most significant financing activity for the six months ended July 1, 2012 was payments under our share repurchase program of \$50.0 million.

Our cash and cash equivalents balance was \$476.2 million as of June 30, 2013. Of this amount, \$295.8 million was held outside of the U.S. in our foreign operations. Substantially all of the foreign cash and cash equivalents are readily convertible into U.S. dollars or other foreign currencies. Our strategic plan does not require the repatriation of foreign cash in order to fund our operations in the U.S., and it is our current intention to permanently reinvest the foreign cash and cash equivalents outside of the U.S. If we were to repatriate the foreign cash to the U.S., we may be required to accrue and pay U.S. taxes in accordance with applicable U.S. tax rules and regulations as a result of the repatriation.

As of June 30, 2013, there were no outstanding borrowings under the revolving credit component of our senior secured credit facility, we were in compliance with all of the covenants of the facility, and we had \$386.6 million in available borrowing capacity. Our total liquidity, consisting of our cash and available borrowing capacity, is limited by the leverage ratio covenant of the facility, which is based on debt net of cash.

Our outstanding debt obligations as of June 30, 2013 consisted of \$700.0 million aggregate principal of 5.5% senior subordinated notes due 2022, \$393.5 million aggregate principal of 5.5% senior subordinated notes due 2023, \$232.1 million of term loan borrowings due 2017, and \$5.2 million aggregate principal of 9.25% senior subordinated notes due 2019. Additional discussion regarding our various borrowing arrangements is included in Note 8 to the Condensed Consolidated Financial Statements.

Forward-Looking Statements

Statements in this report other than historical facts are forward looking statements made in reliance upon the safe harbor of the Private Securities Litigation Reform Act of 1995. Forward looking statements include any statements regarding future revenues, costs and expenses, operating income, earnings per share, margins, cash flows, dividends, and capital expenditures. These forward looking statements are based on forecasts and projections about the markets and industries which we serve and about general economic conditions. They reflect management's beliefs and expectations. They are not guarantees of future performance, and they involve risk and uncertainty. Our actual results may differ materially from these expectations. Changes in the global economy may impact our results. Turbulence in financial markets may increase our borrowing costs. Additional factors that may cause actual results to differ from our expectations include: our reliance on key distributors in marketing products; our ability to execute and realize the expected benefits from strategic initiatives (including revenue growth, cost control and productivity improvement programs); changes in the level of economic activity in our major geographic markets; difficulties in realigning manufacturing capacity and capabilities among our global manufacturing facilities; the competitiveness of the global broadcast, enterprise, and industrial markets; variability in our quarterly and annual effective tax rates; changes in accounting rules and interpretations of those rules which may affect our reported earnings; changes in currency exchange rates and political and economic uncertainties in the countries where we conduct business; demand for our products; the cost and availability of materials including copper, plastic compounds derived from fossil fuels, electronic components, and other materials; energy costs; our ability to achieve acquisition performance expectations and to integrate acquired businesses successfully; our ability to develop and introduce new products; having to recognize charges that would reduce income as a result of impairing goodwill and other intangible assets; security risks and the potential for business interruption from operating in volatile countries; disruptions or failures of our (or our suppliers or customers) systems or operations in the event of a major earthquake, weather event, cyber-attack, terrorist attack, or other catastrophic event that could cause delays in completing sales, providing services, or performing other mission-critical functions; and other factors.

For a more complete discussion of risk factors, please see our Annual Report on Form 10-K for the year ended December 31, 2012 filed with the Securities and Exchange Commission on February 28, 2013. We disclaim any duty to update any forward-looking statements as a result of new information, future developments, or otherwise.

Item 3: Quantitative and Qualitative Disclosures about Market Risks

The following table provides information about our financial instruments that are sensitive to changes in interest rates. The table presents principal amounts by expected maturity dates and fair values as of June 30, 2013.

	Principal Amount by Expected Maturity			Fair Value
	2013	Thereafter	Total	
	(In thousands, except interest rates)			
Variable-rate term loan	\$ 11,905	\$ 220,242	\$ 232,147	\$ 232,147
Average interest rate		3.82%		
Fixed-rate senior subordinated notes due 2022	\$	\$ 700,000	\$ 700,000	\$ 687,316
Average interest rate		5.50%		
Fixed-rate senior subordinated notes due 2023	\$	\$ 393,546	\$ 393,546	\$ 383,720
Average interest rate		5.50%		
Fixed-rate senior subordinated notes due 2019	\$	\$ 5,221	\$ 5,221	\$ 5,766
Average interest rate		9.75%		
Total			\$ 1,330,914	\$ 1,308,949

Item 7A of our 2012 Annual Report on Form 10-K provides more information as to the practices and instruments that we use to manage market risks. There were no material changes in our exposure to market risks since December 31, 2012.

Item 4: Controls and Procedures

As of the end of the period covered by this report, we conducted an evaluation, under the supervision and with the participation of the principal executive officer and principal financial officer, of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934). Based on this evaluation, the principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

There was no change in our internal control over financial reporting during our most recently completed fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II OTHER INFORMATION**Item 1: Legal Proceedings**

We are a party to various legal proceedings and administrative actions that are incidental to our operations. These proceedings include personal injury cases, 98 of which were pending as of July 25, 2013, in which we are one of many defendants. Electricians have filed a majority of these cases, primarily in Pennsylvania and Illinois, generally seeking compensatory, special, and punitive damages. Typically in these cases, the claimant alleges injury from alleged exposure to a heat-resistant asbestos fiber. Our alleged predecessors had a small number of products that contained the fiber, but ceased production of such products more than 20 years ago. Through July 25, 2013, we have been dismissed, or reached agreement to be dismissed, in more than 500 similar cases without any going to trial, and with only a relatively small number of these involving any payment to the claimant. In our opinion, the proceedings and actions in which we are involved should not, individually or in the aggregate, have a material adverse effect on our financial condition, operating results, or cash flows. However, since the trends and outcome of this litigation are inherently uncertain, we cannot give absolute assurance regarding the future resolution of such litigation, or that such litigation may not become material in the future.

We are a former owner of a property located in Kingston, Canada. The Ontario, Canada Ministry of the Environment is seeking to require current and former owners of the Kingston property to delineate and remediate soil and groundwater contamination at the site, which we believe was caused by Nortel (a former owner of the site). We are in the process of assessing whether we have any liability for the site, as well as the scope of contamination, cost of remediation, allocation of costs among the parties, and the other parties' financial viability. Based on our current information, we do not believe this matter should have a material adverse effect on our financial condition, operating results, or cash flows. However, since the outcome of this matter is uncertain, we cannot give absolute assurance regarding its future resolution, or that such matter may not become material in the future.

Item 1A: Risk Factors

There have been no material changes with respect to risk factors as previously disclosed in our 2012 Annual Report on Form 10-K.

Item 2: Unregistered Sales of Equity Securities and Use of Proceeds

Set forth below is information regarding our stock repurchases for the three months ended June 30, 2013.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Repurchased as Part of Publicly Announced Plans or Programs (1)		Approximate Dollar Value
					of Shares that May Yet Be Purchased Under the Plans or Programs
April 1, 2013 through May 5, 2013		\$			\$ 193,750,000
May 6, 2013 through June 2, 2013					193,750,000
June 3, 2013 through June 30, 2013	584,198	53.49	584,198		162,500,000
Total	584,198	\$ 53.49	584,198	\$	162,500,000

- (1) In July 2011, our Board of Directors authorized a share repurchase program, which allows us to purchase up to \$150.0 million of our common stock through open market repurchases, negotiated transactions, or other means, in accordance with applicable securities laws and other restrictions. The program does not have an expiration date and may be suspended at any time at the discretion of the Company. In November 2012, our Board of Directors authorized an extension of the share repurchase program, which allows us to purchase up to an additional \$200.0 million of our common stock through open market repurchases, negotiated transactions, or other means, in accordance with applicable securities laws and other restrictions. This program will be funded by cash on hand and free cash flow. From inception of

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the program to June 30, 2013, we have repurchased 4.9 million shares of our common stock under the programs for an aggregate cost of \$187.5 million and an average price of \$38.23.

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Item 6: Exhibits

Exhibits

Exhibit 10.1	Executive Employment Agreement with Glenn Pennycook
Exhibit 10.2	Executive Employment Agreement with Dhruvad Trivedi
Exhibit 31.1	Certificate of the Chief Executive Officer pursuant to § 302 of the Sarbanes-Oxley Act of 2002.
Exhibit 31.2	Certificate of the Chief Financial Officer pursuant to § 302 of the Sarbanes-Oxley Act of 2002.
Exhibit 32.1	Certificate of the Chief Executive Officer pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002.
Exhibit 32.2	Certificate of the Chief Financial Officer pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002.
Exhibit 101.INS	XBRL Instance Document
Exhibit 101.SCH	XBRL Taxonomy Extension Schema
Exhibit 101.CAL	XBRL Taxonomy Extension Calculation
Exhibit 101.DEF	XBRL Taxonomy Extension Definition
Exhibit 101.LAB	XBRL Taxonomy Extension Label
Exhibit 101.PRE	XBRL Taxonomy Extension Presentation

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

BELDEN INC.

Date: August 8, 2013

By: /s/ John S. Stroup
John S. Stroup
President, Chief Executive Officer and Director

Date: August 8, 2013

By: /s/ Henk Derksen
Henk Derksen
Senior Vice President, Finance, and Chief Financial Officer

Date: August 8, 2013

By: /s/ John S. Norman
John S. Norman
Vice President, Controller, and Chief Accounting Officer

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