

ADT Corp
Form 10-Q
July 31, 2013
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q
(Mark One)

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended June 28, 2013

OR

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period from _____ to _____

Commission File Number: 001-35502

The ADT Corporation
(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or Other Jurisdiction

of Incorporation or Organization)

1501 Yamato Road, Boca Raton, Florida

(Address of Principal Executive Offices)

45-4517261

(IRS Employer

Identification Number)

33431

(Zip Code)

(561) 988-3600

(Registrant's Telephone Number, including Area Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

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Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company
Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares outstanding of the registrant's common stock, \$0.01 par value, was 210,519,616 as of July 24, 2013.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

THE ADT CORPORATION

CONDENSED AND CONSOLIDATED BALANCE SHEETS

(UNAUDITED)

(in millions, except share and per share data)

	June 28, 2013	September 28, 2012
Assets		
Current Assets:		
Cash and cash equivalents	\$272	\$234
Accounts receivable trade, less allowance for doubtful accounts of \$27 and \$25, respectively	75	78
Inventories	53	42
Prepaid expenses and other current assets	93	46
Deferred income taxes	123	40
Total current assets	616	440
Property and equipment, net	222	217
Subscriber system assets, net	1,916	1,744
Goodwill	3,414	3,400
Intangible assets, net	2,854	2,861
Deferred subscriber acquisition costs, net	502	464
Other assets	131	134
Total Assets	\$9,655	\$9,260
Liabilities and Stockholders' Equity		
Current Liabilities:		
Current maturities of long-term debt	\$3	\$2
Accounts payable	181	144
Accrued and other current liabilities	214	181
Income taxes payable	43	—
Deferred revenue	249	245
Total current liabilities	690	572
Long-term debt	3,224	2,525
Deferred subscriber acquisition revenue	740	675
Deferred tax liabilities	359	157
Other liabilities	188	174
Total Liabilities	5,201	4,103
Commitments and contingencies (See Note 9)		
Stockholders' Equity:		
Common stock – authorized 1,000,000,000 shares of \$0.01 par value; issued and outstanding shares – 212,584,879 as of June 28, 2013 and 231,094,332 as of September 28, 2012		2
Additional paid-in capital	4,144	5,062
Retained earnings	239	—
Accumulated other comprehensive income	69	93
Total Stockholders' Equity	4,454	5,157

Total Liabilities and Stockholders' Equity	\$9,655	\$9,260
See Notes to Condensed, Consolidated and Combined Financial Statements		

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THE ADT CORPORATION
 CONDENSED, CONSOLIDATED AND COMBINED STATEMENTS OF OPERATIONS
 (UNAUDITED)
 (in millions, except per share data)

	For the Quarters Ended		For the Nine Months Ended	
	June 28, 2013	June 29, 2012	June 28, 2013	June 29, 2012
Revenue	\$833	\$814	\$2,463	\$2,416
Cost of revenue	343	344	1,020	1,038
Selling, general and administrative expenses	292	277	874	823
Separation costs	6	—	17	—
Operating income	192			