BELDEN CDT INC.
Form 8-K/A
September 28, 2004

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K/A (Amendment No. 2)

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): July 16, 2004

Belden CDT Inc.

(EXACT NAME OF REGISTRANT AS SPECIFIED IN CHARTER)

Delaware	001-12561	36-3601505
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identi

7701 Forsyth Boulevard, Suite 800
St. Louis, Missouri 63105

(Address of Principal Executive Offices, including Zip Code)

(314) 854-8000

(Registrant's telephone number, including area code)

n/a

(Former Name or Former Address, if Changed Since Last Report)

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

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the

Exchange Act (17 CFR 240.13e-4(c))

EXPLANATORY NOTE

Belden CDT Inc. (the Company) files this second amendment to its Current Report ("Report") on Form 8-K, which it initially filed on July 16, 2004 and then amended on August 9, 2004 to include financial statements of Belden Inc. ("Belden") in response to Item 7 of the Form 8-K instructions that applied at the time the amendment was filed. Now, the Company files this second amendment to include the financial statements required by Item 9.01 of the amended instructions to Form 8-K.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(b) Pro Forma Financial Information

UNAUDITED PRO FORMA COMBINED CONDENSED FINANCIAL STATEMENTS

The following unaudited pro forma combined condensed balance sheet of Belden CDT as of June 30, 2004 and the unaudited pro forma combined condensed statement of operations for the six months ended June 30, 2004 and the year ended December 31, 2003 are based on the historical financial statements of Belden and CDT after giving effect to the merger. In accordance with Statement of Financial Accounting Standards No. 141, "Business Combinations" (SFAS 141), and the assumptions and adjustments described in the accompanying notes to the unaudited pro forma combined condensed financial statements, Belden is considered the accounting acquiror. The merger was completed on July 15, 2004. Because Belden's owners as a group retained or received the larger portion of the voting rights in the combined entity and Belden's senior management represents a majority of the senior management of the combined entity, Belden was considered the acquiror for accounting purposes and will account for the merger as a reverse acquisition under the purchase method of accounting for business combinations under accounting principles generally accepted in the United States of America, which means that the consideration paid (purchase price) will be allocated to the tangible and intangible net assets of CDT based upon their fair values, and the net assets of CDT will be recorded at fair value as of the completion of the merger and added to those of Belden. Belden CDT's fiscal year will end on December 31.

The unaudited pro forma combined condensed balance sheet as of June 30, 2004 is presented to give effect to the proposed merger as if it occurred on June 30, 2004 and, due to different fiscal period-ends, combines the historical balance sheet of Belden at June 30, 2004 and the historical balance sheet of CDT at April 30, 2004. The unaudited pro forma combined condensed statement of operations of Belden and CDT for the six months ended June 30, 2004 and year ended December 31, 2003 are presented as if the combination had taken place on January 1, 2004 and January 1, 2003 for Belden and November 1, 2003 and February 1, 2003 for CDT and, due to different fiscal period-ends, combines the historical results of Belden for the six month period ending June 30, 2004 and twelve month period ended December 31, 2003 and the historical results of CDT for the six month period ending April 30, 2004 twelve month period ended January 31, 2004.

Reclassifications have been made to CDT's historical financial statements to conform to Belden's historical financial statement presentation.

In accordance with SFAS 141, CDT's tangible and intangible net assets were adjusted to their fair values and the excess of the purchase price over the fair value of CDT's net assets was recorded as goodwill. The preliminary adjustments to tangible and intangible net assets including goodwill that are

shown in these unaudited pro forma combined condensed financial statements are based on various preliminary estimates by management. The work performed by independent valuation specialists has been considered in management's estimates of the fair values. A final determination of these fair values will include management's consideration of a final valuation by the independent valuation specialists. This final valuation will be based on the actual net tangible and intangible assets of CDT that existed as of the completion date of the merger.

The unaudited pro forma combined condensed financial statements include preliminary adjustments for liabilities resulting from integration planning. Preliminary Liability adjustments include change in control and integration incentive costs of $10,785, severance costs of $8,603, costs of vacating some facilities (leased or owned) of CDT and other costs

associated with exiting activities of CDT of $11,165, and benefit plan obligations of $13,838. In addition, Belden CDT announced significant restructuring activities after completion of the merger and will incur costs for severance or relocation costs related to Belden employees, costs of vacating some facilities (leased or owned) of Belden, or other costs associated with exiting activities of Belden. Cost associated with exiting activities of Belden are not included in the pro forma adjustments since such activities are not part of CDT. The unaudited pro forma combined condensed financial statements also do not reflect cost savings that are expected to result from the integration activities and elimination of duplicate expenses after the merger.

The unaudited pro forma combined condensed financial statements should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the historical consolidated financial statements and accompanying notes of Belden and CDT incorporated by reference in the joint proxy statement/prospectus filed on June 3, 2004 with the Securities and Exchange Commission on Form S-4. The unaudited pro forma combined condensed financial statements are not intended to represent or be indicative of the consolidated results of operations or financial condition of Belden CDT that would have been reported had the merger been completed as of the dates presented, and should not be taken as representative of the future consolidated results of operations or financial condition of Belden CDT.

BELDEN CDT INC. UNAUDITED PRO FORMA

COMBINED CONDENSED BALANCE SHEET
(AMOUNTS IN THOUSANDS EXCEPT PER SHARE DATA)

	BELDEN AMOUNTS AS OF JUNE 30, 2004	CDT AMOUNTS AS OF APRIL 30, 2004	CDT DISCONTINUED OPERATIONS PRO FORMA (1) ADJUSTMENT	PR ADJ
ASSETS				
Current assets:				

Cash and cash equivalent	$ 168,902	$ 48,928	$ (2,025)	$
Receivables, net	97,330	89,568	(14,791)	
Inventories	91,737	118,985	(10,637)	
Income taxes receivable	2,773	4,023	--	
Deferred income taxes	11,015	13,416	445	
Other current assets	5,523	10,773	(598)	
Current assets of discontinued operations	20,476	5,392	27,606	
Total current assets	397,756	291,085	--	
Property, plant and equipment, net	172,381	200,407	(27,801)	
Goodwill and other intangibles, net	79,099	14,539	--	
Other long-lived assets	10,705	10,195	(885)	
Long-lived assets of discontinued operations	21,147	--	28,686	
	$ 681,088	$ 516,226	$ --	$
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities:				
Accounts payable and accrued liabilities	$ 90,133	$ 76,318	$ (12,026)	
Current maturities of long-term debt	64,998	3,404	--	
Current liabilities of discontinued operations	20,859	--	12,026	
Total current liabilities	175,990	79,722	--	
Long-term debt	136,000	111,173	(1,152)	
Postretirement benefits other than pensions	9,580	11,456	--	
Deferred income taxes	45,606	1,381	(1,363)	
Other long-term liabilities	29,641	11,044	(1,033)	
Long-term liabilities of discontinued operations	5,368	--	3,548	
Total liabilities	402,185	214,776	--	
Minority interest in subsidiaries	--	8,185	--	
Stockholders' equity:				
Preferred stock	--	--	--	
Common stock	262	488	--	
Additional paid-in capital	39,845	206,129	--	
Retained earnings	238,486	141,412	--	
Accumulated other comprehensive income/(loss)	7,807	11,506	--	
Unearned deferred compensation	(2,721)	(997)	--	
Treasury stock	(4,776)	(65,273)	--	
Total stockholders' equity	278,903	293,265	--	
	$ 681,088	$ 516,226	$ --	$

These unaudited pro forma combined condensed financial statements reflect an allocation of the merger consideration on February 4, 2004, the date Belden and CDT signed their merger agreement. The allocation is subject to change based on finalization of the fair values of the tangible and intangible assets acquired and liabilities assumed. The analysis below reflects the one-for-two reverse stock split that occurred immediately prior to the

effective time of the merger, which occurred on July 15, 2004. The calculation of the merger consideration is as follows:

Common stock (21,016 shares at $20.236 per share)	$425,280
Restricted common shares vesting (141 shares at $20.236 per share)	2,853
Fair value of CDT options converted to Belden CDT stock options	9,845
	437,978
Direct cost of merger	6,197
Total merger consideration	444,175
Historical book value of CDT's assets and liabilities-- April 30, 2004	293,265
Excess of merger consideration over historical book value	$150,910

The value of the CDT common stock used to determine the overall merger consideration was calculated using the average closing price of the stock from February 2, 2004 to February 6, 2004.

Outstanding options (after giving effect to the reverse stock split) to purchase a total of 1,969 shares of CDT common stock were converted into a total of 1,969 options to purchase Belden CDT common stock and those options fully vested on the effective date of the merger. The fair value of these options was determined using the Black-Scholes option pricing model with the following assumptions:

Expected volatility:	41.10%
Risk free interest rate:	2.46%
Expected life of options (years) ...	3.7
Expected dividend yield:	5.40%

The merger consideration was allocated to the preliminary fair values of CDT's assets acquired and liabilities assumed as of the date the merger. The excess of the merger consideration over the preliminary fair values of assets acquired and liabilities assumed was recorded as goodwill.

(1) Reflects the CDT operations that the Company has determined it will close or sell and will report as discontinued operations.

Notes

(A) Reflects the estimated revaluation of CDT's inventory from book value to preliminary fair value and the adjustment for product lines the Company determined it will no longer offer to customers. The inventory revaluation will result in increased cost of sales as inventory is sold (estimated to sell during the first 3 to 4 months after the merger).

	CONTINUING OPERATIONS	DISCONTINUED OPERATIONS	TOTAL
Inventory revaluation	$ 3,684	$ --	$ 3,684
Product line curtailment	(4,251)	(3,791)	(8,042)
	$ (567)	$(3,791)	$(4,358)

(B) Reflects the estimated revaluation of CDT's property and equipment from book value to preliminary fair value. The preliminary fair value adjustments for the CDT property and equipment are summarized below:

	CONTINUING OPERATIONS	DISCONTINUED OPERATIONS	TOTAL
Land	$ (1,796)	$ 255	$ (1,541)
Buildings	3,657	(2,899)	758
Machinery and equipment ..	(916)	(10,887)	(11,803)
Furniture and fixtures ...	(1,049)	(183)	(1,232)

Vehicles	(378)	--	(378)
	$ (482)	$(13,714)	$(14,196)

Depreciation expense for continuing operations will decrease by approximately $195 per year or $97 for six months as a result of the preliminary net writedown.

(C) Reflects the adjustment for backlog of confirmed customer purchase orders and contracts, trademarks, customer relationships, patents and goodwill from book value to preliminary fair market value. The preliminary fair value adjustments for CDT's identified intangible assets and goodwill are summarized below:

	PRELIMINARY FAIR VALUE ADJUSTMENT	AMORTIZATION PERIOD (YEARS)	ANNUAL AMORTIZATI

Backlog	$ 662	1	$ 662
Customer contracts	924	3 to 4	264
Customer relationships	37,944	15 to 30	1,577
Patents	5,469	20	320
Trademarks	22,567	None	--
Identified intangible assets ...	67,566		2,822
Goodwill	143,327	None	
	$210,893		$ 2,822

(D) Reflects the elimination of CDT's pension intangible asset and CDT's deferred financing fees. These items are summarized below:

Pension intangible asset...	$(1,643)
Deferred financing fees....	(214)
	$(1,857)

(E) Reflects the accrual of preliminary estimates of change of control payments and integration incentive costs, severance, facility exiting costs, and the elimination of a payable of $2,200 recognized by Belden related to its 2002 purchase of the Norcom operations from CDT.

	CONTINUING OPERATIONS	DISCONTINUED OPERATIONS
Change in control and integration incentive costs	$10,785	$ --
Severance	4,414	4,189
Facility exiting costs	10,061	1,104
Norcom purchase liability	--	(2,200)
	$25,260	$ 3,093

(F) Reflects the adjustment to record CDT's postretirement benefits liability at an amount equal to the preliminary accumulated postretirement benefits obligation less the fair value of plan assets.

(G) Reflects the net deferred tax liability on preliminary fair value adjustments of identified assets and liabilities.

	CONTINUING OPERATIONS	DISCONTINUED OPERATIONS

Identified asset preliminary adjustments, net	$ 64,660	$(10,805)
Identified liability preliminary adjustments	(38,683)	992
Net taxable temporary differences	25,977	(9,813)
Effective tax rate	37%	37%
Deferred tax liability	9,611	(3,630)
Valuation allowance	2,600	--
	$ 12,211	$ (3,630)

(H) Reflects the adjustment to record CDT's pension liability at an amount equal to the preliminary projected

benefit obligation less the fair value of plan assets (continuing operations $5,896, discontinued operations $415).

(I) Reflects the elimination of a payable of $4,500 recognized by Belden related to its 2002 purchase of the Norcom operations from CDT.

(J) Reflects the reduction in par value related to CDT's one-for-two reverse stock split.

(K) Reflects the adjustment to additional paid in capital to record the impact of the acquisition and the revaluation of common stock.

(L) Reflects the elimination of CDT's equity accounts (including the charge for a minimum pension liability of $2,826 in accumulated other comprehensive income/(loss)).

(M) Reflects the elimination of Belden's treasury stock as a result of its cancellation in the merger agreement.

BELDEN CDT INC. UNAUDITED PRO FORMA

COMBINED CONDENSED STATEMENT OF OPERATIONS
(AMOUNTS IN THOUSANDS EXCEPT PER SHARE DATA)

	FOR THE SIX MONTHS ENDED			
	JUNE 30, 2004 BELDEN AMOUNTS	APRIL 30, 2004 CDT AMOUNTS	CDT DISCONTINUED OPERATIONS PRO FORMA (1) ADJUSTMENTS	PRO FO ADJUSTM
Revenues	$ 354,410	$ 270,120	$ (33,501)	$

Cost of Sales	288,933	212,830	(31,372)	3,5
Gross Profit	65,477	57,290	(2,129)	(3,5
Selling, general and administrative expenses	49,458	51,230	(2,811)	(1,0
Other operating expenses/(earnings)	--	(136)	--	
Operating earnings/(loss)	16,019	6,196	(2,505)	20,3
Nonoperating expenses/(earnings)	(1,732)	61	--	(1,8
Interest expense	6,333	2,646	(32)	(3
Income/(loss) from continuing operations before taxes and minority interest	11,418	3,489	876	(2,1
Income tax expense/(benefit)	3,140	2,784	536	(7
Income/(loss) from continuing operations before minority interest	8,278	705	340	(1,3
Minority interest, net	--	(518)	--	-
Income/(loss) from continuing operations	$ 8,278	$ 187	$ 340	$ (1,3
Basic average shares outstanding	25,504	21,008		
Basic earnings per share from continuing operations		$ 0.32	$ 0.01	
Diluted average shares outstanding	25,827	21,096		
Diluted earnings per share from continuing Operations,		$ 0.32	$ 0.01	

The following is a summary of the weighted average basic and diluted shares used to calculate earnings per share. The CDT shares are adjusted to give effect to the one-for-two reverse stock split.

	BASIC	COMMON EQUIVALENT	DILUTED
Belden ...	25,504	323	25,827
CDT	21,008	88	21,096
	46,512	411	46,923

CDT common equivalent shares do not include the "if converted" effect for CDT's convertible debt because it would be antidilutive.

(1) Reflects the CDT operations that the Company has determined it will close or sell and will report as discontinued operations.

Notes

(A) Reflects the lower depreciation expense of $(97) on the property and equipment writedown from book value to preliminary fair value and the estimated revaluation of CDT's inventory from book value to preliminary fair value of $3,684.

(B) Reflects the additional amortization expense on the intangibles

preliminary fair value and the reversal of merger expenses recorded by CDT that were included in its unaudited historical statement of operations for the six month period ended April 30, 2004:

Intangibles amortization.....	$ 1,411
Merger expenses.....	(2,493)
	$(1,082)

(C) Reflects the elimination of CDT's deferred financing fee amortization.

(D) Reflects the blended effective tax rate of 37% on the pro forma adjustments.

BELDEN CDT INC. UNAUDITED PRO FORMA

COMBINED CONDENSED STATEMENT OF OPERATIONS
(AMOUNTS IN THOUSANDS EXCEPT PER SHARE DATA)

	FOR THE TWELVE MONTHS ENDED			
	DECEMBER 31, 2003 BELDEN AMOUNTS	JANUARY 31, 2004 CDT AMOUNTS	CDT DISCONTINUED OPERATIONS PRO FORMA (1) RECLASSIFICATION	PRO FORMA ADJUSTMENT
Revenues	$ 624,106	$ 503,445	$ (59,145)	$ -
Cost of Sales	503,486	391,517	(55,358)	3,48
Gross Profit	120,620	111,928	(3,787)	(3,48
Selling, general and administrative expenses	94,717	97,931	(6,458)	32
Other operating expenses/(earnings)	352	3,797	--	-
Operating earnings/(loss)	25,551	10,200	2,671	(3,81
Nonoperating expenses/(earnings)	--	(391)	(550)	-
CDTInterest expense	12,571	4,942	(195)	(46
Income/(loss) from continuing operations before taxes and minority interest	12,980	5,649	3,416	(3,35
Income tax expense/(benefit)	3,851	3,770	1,115	(1,24
Income/(loss) from continuing operations before minority interest	9,129	1,879	2,301	(2,11
Minority interest, net	--	(2,164)	--	-

Income/(loss) from continuing operations	$ 9,129	$ (285)	$ 2,301	$ (2,11
Basic average shares outstanding	25,158	21,527		
Basic earnings/(loss) per share from continuing operations	$ 0.36	$ (0.01)		
Diluted average shares outstanding	25,387	21,527		
Diluted earnings/ (loss) per share from continuing operations	$ 0.36	$ (0.01)		

The following is a summary of the weighted average basic and diluted shares used to calculate earnings per share. The CDT shares are adjusted to give effect to the one-for-two reverse stock split.

	BASIC	COMMON EQUIVALENT	DILUTED
Belden.....	25,158	229	25,387
CDT.....	21,527	72	21,599
	46,685	301	46,986

CDT common equivalent shares do not include the "if converted" effect for CDT's convertible debt because it would be antidilutive.

(1) Reflects the CDT operations that the Company has determined it will close or sell and will report as discontinued operations.

Notes

(A) Reflects the lower depreciation expense of ($195) on the property and equipment writedown from book value to preliminary fair value and the estimated revaluation of CDT's inventory from book value to preliminary fair value of $3,684.

(B) Reflects the additional amortization expense on the intangibles preliminary fair value and the reversal of merger expenses recorded by CDT that were included in its unaudited historical statement of operations for the twelve month period ended January 31, 2004:

Intangibles amortization.....	$ 2,822
Merger expenses.....	(2,493)

	$ 329

(C) Reflects the elimination of CDT's deferred financing fee amortization.

(D) Reflects the blended effective tax rate of 37% on the pro forma adjustments.

Signatures

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

BELDEN CDT INC.

Date: September 28, 2004

By: /s/ Richard K. Reece

Richard K. Reece
Vice President, Finance and
Chief Financial Officer