SMART Technologies Inc.
Form 6-K
August 12, 2010

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16

under the Securities Exchange Act of 1934

For the month of August 2010

Commission File Number 001-33167-738

SMART TECHNOLOGIES INC.

3636 Research Road N.W.

Calgary, Alberta

Canada T2L 1Y1

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F x Form 40-F ¨

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ___________

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ___________

Documents Included as Part of this Report

1. Management s Discussion and Analysis for the three months ended June 30, 2010.

2. Interim consolidated financial statements of SMART Technologies Inc. for the three months ended June 30, 2009 and 2010.

SIGNATURES

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.

SMART TECHNOLOGIES INC.

By: /s/ G. A. (Drew) Fitch
Name: G. A. (Drew) Fitch
Title: Vice President, Finance and Chief Financial Officer

Date: August 12, 2010

Q1 First Quarter Report

2011

for the three months ended June 30, 2010

MANAGEMENT S DISCUSSION AND ANALYSIS

OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following interim management s discussion and analysis (MD&A) should be read in conjunction with the unaudited interim consolidated financial statements and the accompanying notes of SMART Technologies Inc. (the Company) for the three months ended June 30, 2010 and with the Company s audited consolidated financial statements and accompanying notes, and MD&A, for the fiscal year ended March 31, 2010. The consolidated financial statements have been presented in U.S. dollars and have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). Unless the context otherwise requires, any reference to the Company , SMART Technologies , we , our , us or similar terms refers to SMART Technologies Inc. and its subsidiaries. Because our fiscal year ends on March 31, references to a fiscal year refer to the fiscal year ended March 31 of the same calendar year. For example, when we refer to fiscal 2011, we mean our fiscal year ended March 31, 2011. Unless otherwise indicated, all references to $ and dollars in this discussion and analysis mean U.S. dollars. The following table sets forth the period end and period average exchange rates for U.S. dollars expressed in Canadian dollars that are used in the preparation of our unaudited interim consolidated financial statements and this MD&A. These rates are based on the closing rates published by the Bank of Canada.

	Period End Rate	Period Average Rate
Year ended March 31, 2010	1.0158	
Monthly Fiscal 2010		
April	1.1930	1.2318
May	1.0917	1.1582
June	1.1630	1.1235
Monthly Fiscal 2011		
April	1.0158	1.0051
May	1.0435	1.0403
June	1.0646	1.0396

This MD&A includes forward-looking statements which reflect our current views with respect to future events and financial performance. These statements include forward-looking statements both with respect to us specifically and the technology product industry and business, demographic and other matters in general. Statements which include the words expect , intend , plan , believe , project , estimate , anticipat will , continue , further , seek , and similar words or statements of a future or forward-looking nature identify forward-looking statements for purposes of the applicable securities laws or otherwise. In particular and without limitation, this MD&A contains forward-looking statements pertaining to general market conditions, our future growth strategy and prospects, including growth of the education, business and government markets for our products, our plans and objectives for future operations, our future financial performance and financial condition, the addition of new products to our portfolio and enhancements to current products, our industry, opportunities in the business and government markets and licensing opportunities and working capital requirements, integration of our acquisition of NextWindow, our acquisition strategy, regulation, exchange rates and income tax considerations.

All forward-looking statements address matters that involve risks, uncertainties and assumptions. Accordingly, there are or will be important factors and assumptions that could cause our actual results and other circumstances and events to differ materially from those indicated in these statements. We believe that these factors and assumptions include, but are not limited to, those described under Business Risks and Capital Structure Risks below and the following:

our ability to manage our growth;

competition in our industry;

our ability to successfully obtain patents or registration for other intellectual property rights or protect, maintain and enforce such rights;

third-party claims of infringement or violation of, or other conflicts with, intellectual property rights by us;

our ability to enhance current products and develop and introduce new products;

the development of the market for interactive learning and collaboration products;

reduced spending by our customers due to changes in the spending policies or budget priorities for government funding;

our ability to grow our sales in foreign markets;

our ability to manage risks inherent in foreign operations;

our ability to protect our brand;

our ability to obtain components and products from suppliers on a timely basis and on favorable terms;

our ability to manage our component and product manufacturing and logistical services successfully;

the reliability of component manufacturing, product assembly and logistical services provided by third parties;

possible changes in the demand for our products;

our ability to successfully execute our strategy to grow in the business and government markets;

our ability to integrate the operations of the various businesses we acquire, including NextWindow;

our ability to establish new, and to build on our existing relationships with our dealers and distributors; and

our ability to manage cash flow, foreign exchange risk and working capital.

Overview

We design, develop and sell interactive technology products and solutions that enhance learning and enable people to collaborate in innovative and effective ways. We are the global leader in the interactive whiteboard product category, which is the core of our interactive technology solutions. We generate our revenue from the sale of interactive technology products and solutions, including hardware, software and services.

Revenue for the first quarter of fiscal 2011 was $219.2 million, an increase of $60.7 million, or 38%, from $158.5 million in the first quarter of fiscal 2010. Sales volumes for our SMART Board interactive whiteboards for the first quarter of fiscal 2011 were 115,922 units, an increase of 23,926 units, or 26%, from 91,996 units in the first quarter of fiscal 2010. These gains are primarily driven by North American market demand where adoption of interactive whiteboards in the education sector continues to grow.

Net income for the first quarter of fiscal 2011 was $5.0 million; $49.9 million lower than the $54.9 million reported in the first quarter of fiscal 2010. The decline in net income is attributed almost entirely to unrealized foreign exchange gains and losses on the conversion of our U.S. dollar-denominated long-term debt into our functional currency of Canadian dollars. The decline in the value of the Canadian dollar relative to the U.S. dollar in the first quarter of fiscal 2011 resulted in a $21.0 million foreign exchange loss compared to the appreciation of the Canadian dollar relative to the U.S. dollar in the first quarter of fiscal 2010 which resulted in a $36.0 million foreign exchange gain. Adjusted Net Income for the first quarter of fiscal 2011 was $29.1 million, an increase of $8.1 million, or 38%, from $21.0 million in the first quarter of fiscal 2010. Adjusted Net Income is a non-GAAP measure. For a reconciliation of Adjusted Net Income to net income see Non-GAAP measures below.

Adjusted EBITDA for the first quarter of fiscal 2011 was $65.6 million, an increase of $15.0 million, or 30%, from $50.6 million in the first quarter of fiscal 2010. Adjusted EBITDA is a non-GAAP measure. For a reconciliation of Adjusted EBITDA to net income see Non-GAAP measures below.

As part of our strategy to expand our market position in optical touch technology we acquired Next Holdings Limited (NextWindow) on April 21, 2010. NextWindow designs and manufactures components for optical touch screens for integration into electronic displays, including PC displays. We expect to leverage NextWindow s technologies with ours to accelerate innovation in future generations of our interactive whiteboards. We also expect that NextWindow s existing relationships with leading PC display manufacturers will accelerate our ability to expand into the market for interactive touch products other than interactive whiteboards. The acquisition consideration for NextWindow consisted of $82.0 million in cash which was funded from our available cash.

On May 13, 2010, in preparation for our initial public offering (IPO), our Board of Directors approved a reorganization of the capital of the company that we refer to as the 2010 Reorganization. Through a series of transactions, the 2010 Reorganization resulted in the repayment by us of $8.0 million of the shareholder note payable and the effective conversion of the shareholder note payable and cumulative preferred shares, together with all accrued interest and accumulated dividends thereon, as well as all our other outstanding shares into Class B Shares, Class A Subordinate Voting Shares and Class A Preferred Shares. The 2010 Reorganization was completed prior to and in conjunction with the closing of our IPO on July 20, 2010. At this time, the newly created Class A Preferred shares were converted into Class B Shares and Class A Subordinate Voting Shares and are therefore no longer outstanding. Our debt balance was reduced significantly as a result of the 2010 Reorganization and, accordingly, we expect our interest expense to be significantly lower in future periods.

On July 20, 2010, we completed our IPO and issued 8,800,000 Class A Subordinate Voting Shares as a result of which we received proceeds, net of underwriting commissions and other offering expenses, of $135.0 million. Concurrently, existing shareholders sold an aggregate of 30,030,000 Class A Subordinate Voting Shares in the offering. In July 2010, we repaid $19.2 million (C$20.0 million) of our term construction facility and $40.0 million of our unsecured term loan with proceeds from the offering. We intend to use the remaining net proceeds for working capital and other general corporate purposes, which may include potential acquisitions and further debt reductions.

The impact of the 2010 Reorganization and IPO on our debt and shareholders equity balances have been summarized in table format as part of the Liquidity and Capital Resources section of this MD&A.

Results of Operations

The following table sets forth certain unaudited consolidated statement of operations and other data for the periods indicated in millions of dollars, except for percentages, shares, per share amounts, units and average selling prices.

	Three months ended June 30, 2009	2010
Consolidated Statement of Operations		
Revenue	$ 158.5	$ 219.2
Cost of sales	78.4	108.5
Gross margin	80.1	110.7
Operating expenses		
Selling, marketing and administration expenses	27.9	42.9
Research and development expenses	7.1	10.7
Depreciation and amortization	2.3	8.6
Operating income	42.8	48.5
Non-operating expenses		
Other loss (income), net	0.2	(0.2)
Interest expense	14.9	13.5
Foreign exchange (gain) loss	(36.0)	21.0
Income before income taxes	63.7	14.2
Income tax expense	8.8	9.2
Net income	$ 54.9	$ 5.0
Earnings per share amounts		
Basic and diluted earnings per share	$ 0.32	$ 0.03
Weighted number of shares outstanding	170,096,497	159,167,268
Selected Data		
Revenue by geographic location		
North America	$ 123.5	$ 175.4
Europe, Middle East and Africa	28.8	31.4
Rest of World	6.2	12.4
	$ 158.5	$ 219.2
As a percent of revenue		
Gross margin	51%	51%
Selling, marketing and administration expenses	18%	20%
Research and development expenses	5%	5%
Adjusted EBITDA[1]	$ 50.6	$ 65.6
Adjusted EBITDA as a percentage of revenue[1] [2]	31%	29%
Adjusted Net Income[3]	$ 21.0	$ 29.1
Adjusted Net Income per share[3][4]	$ 0.12	$ 0.18
Total number of SMART Board interactive whiteboards sold	91,996	115,922
Average selling price of SMART Board interactive whiteboards sold[5]	$ 1,226	$ 1,315

(1) Adjusted EBITDA is a non-GAAP measure that is described and reconciled to net income in the next section and is not a substitute for the GAAP equivalent.
(2) Adjusted EBITDA as a percentage of revenue is calculated by dividing Adjusted EBITDA by revenue after adding back the net change in deferred revenue.
(3) Adjusted Net Income is a non-GAAP measure that is described and reconciled to net income in the next section and is not a substitute for the GAAP equivalent.
(4) Adjusted Net Income per share is calculated by dividing Adjusted Net Income by the average number of basic shares outstanding during the period.
(5) Average selling price is calculated by dividing the total revenue from the sale of SMART Board interactive whiteboards and SMART Board interactive whiteboards with integrated projectors by the total number of units sold.

Non-GAAP measures

We define Adjusted EBITDA as earnings before interest, income taxes, depreciation and amortization, as well as adjusting for the following items: foreign exchange gains or losses, net change in deferred revenue, acquisition costs and other income (loss). We define Adjusted Net Income as earnings before foreign exchange gains or losses, net change in deferred revenue and amortization of intangible assets, all net of tax.

Adjusted EBITDA and Adjusted Net Income are non-GAAP measures and should not be considered as an alternative to net income, operating income or any other measure of financial performance calculated and presented in accordance with GAAP. Adjusted EBITDA, Adjusted Net Income and other non-GAAP measures have inherent limitations and therefore, you should not place undue reliance on them.

We use Adjusted EBITDA as a key measure to assess the core operating performance of the business removing the effects of our leveraged capital structure and the volatility associated with the foreign exchange on our U.S. dollar-denominated debt. We also use Adjusted Net Income to assess the performance of the business removing the after-tax impact of foreign exchange gains and losses, revenue deferral and amortization of intangible assets. We use both of these measures to assess business performance when we evaluate our results in comparison to budgets, forecasts, prior-year financial results and other companies in our industry. Many of these companies use similar non-GAAP measures to supplement their GAAP disclosures but such measures may not be directly comparable. In addition to its use by management in the assessment of business performance, Adjusted EBITDA is used by our Board of Directors and by our lenders in assessing management s performance and is a key metric in the determination of incentive plan payments. In addition, we believe Adjusted EBITDA and Adjusted Net Income may be useful to investors in evaluating our operating performance because securities analysts use metrics similar to Adjusted EBITDA and Adjusted Net Income as supplemental measures to evaluate the overall operating performance of companies.

The following table sets forth the reconciliation of net income to Adjusted EBITDA in millions of dollars.

	Three months ended June 30,	
	2009	**2010**
Adjusted EBITDA		
Net income	$ 54.9	$ 5.0
Income tax expense	8.8	9.2
Depreciation in cost of sales	0.9	1.8
Depreciation and amortization	2.3	8.6
Interest expense	14.9	13.5
Acquisition costs		1.0
Other loss (income), net	0.2	(0.2)
Foreign exchange (gain) loss	(36.0)	21.0
Change in deferred revenue[1]	4.6	5.7
Adjusted EBITDA	$ 50.6	$ 65.6

(1) Change in deferred revenue is calculated as the difference between deferred revenue and deferred revenue recognized. In accordance with our revenue recognition policy deferred revenue represents the portion of our sales that we do not recognize in the period. Deferred revenue recognized represents the portion of our revenue deferred in a prior period that we recognized in the current period. We deferred revenue of $9.8 million and $12.7 million in the three months ended June 30, 2009 and June 30, 2010, respectively.

The following table sets forth the reconciliation of net income to Adjusted Net Income and basic and diluted earnings per share to Adjusted Net Income per share in millions of dollars, except per share amounts.

	Three months ended June 30,	
	2009	2010
Adjusted Net Income		
Net income	$ 54.9	$ 5.0
Adjustments to net income		
Foreign exchange (gain) loss	(36.0)	21.0
Change in deferred revenue	4.6	5.7
Amortization of intangible assets		1.8
	(31.4)	28.5
Tax impact on adjustments[1]	2.5	4.4
Adjustments to net income, net of tax	(33.9)	24.1
Adjusted Net Income	$ 21.0	$ 29.1
Adjusted Net Income per share		
Basic and diluted earnings per share	$ 0.32	$ 0.03
Adjustments to net income, net of tax, per share	(0.20)	0.15
Adjusted Net Income per share	$ 0.12	$ 0.18

(1) Reflects the tax impact on the adjustments to net income. The foreign exchange (gain) loss is primarily the result of the conversion of our U.S. dollar-denominated debt. When the unrealized foreign exchange amount on U.S. dollar-denominated debt is in a net gain position relative to the Canadian dollar equivalent when the debt was incurred at an average rate of 1.05, the gain is tax-effected at current rates. When the unrealized foreign exchange amount on the U.S. dollar-denominated debt is in a net loss position, a valuation allowance is taken against it and the amount is not tax-effected.

Revenue

Revenue for the first quarter of fiscal 2011 was $219.2 million, an increase of $60.7 million, or 38%, from $158.5 million in the first quarter of fiscal 2010. Sales volumes for SMART board interactive whiteboards for the first quarter of fiscal 2011 were 115,922 units, an increase of 23,926 units, or 26%, from 91,996 units in the first quarter of fiscal 2010. The increase in revenue and sales volumes is due primarily to the North America market where adoption of interactive whiteboards and related products remains strong. Revenue for the three months ended June 30, 2010 also includes revenue from NextWindow from the date of acquisition on April 21, 2010 to June 30, 2010 of $8.8 million. The positive foreign exchange impact of the quarter-over-quarter strengthening in the value of the Canadian dollar relative to the U.S. dollar was offset by the negative foreign exchange impact of the weakening in the value of the Euro and GBP relative to the U.S. dollar over the same period.

Gross Margin

Gross margin increased by $30.6 million, from $80.1 million, or 51% of revenue, in the three months ended June 30, 2009, to $110.7 million, or 51% of revenue, in the three months ended June 30, 2010. Improvements in gross margin related to the redesign and lower manufacturing cost of certain key components in our product offering, including interactive whiteboards and integrated projectors, were offset by a negative foreign exchange impact of approximately $3.8 million primarily as a result of the quarter-over-quarter strengthening in the value of the Canadian dollar relative to the U.S. dollar, impacting cost of sales.

Operating Expenses

Selling, Marketing and Administration Expenses

Selling, marketing and administration expenses increased by $15.0 million, or 54%, from $27.9 million in the three months ended June 30, 2009 to $42.9 million in the three months ended June 30, 2010. Approximately

$3.6 million of the increase related to our expansion in Europe as part of our overall globalization strategy. Growth in North American employee levels accounted for approximately $3.0 million of the increase. Approximately $3.7 million related to increased consulting fees and other costs primarily related to our enterprise resource planning, or ERP, system and the acquisition of NextWindow. The strengthening in the value of the Canadian dollar compared to the U.S. dollar also accounted for approximately $3.8 million of the increase.

Research and Development Expenses

Our research and development expenses increased by $3.6 million, or 51%, from $7.1 million in the three months ended June 30, 2009 to $10.7 million in the three months ended June 30, 2010. The increase reflects our continued commitment to innovation and investment in product development for the education and business markets, including an increase in the number of engineers and technicians required to support this development. The strengthening in the value of the Canadian dollar compared to the U.S. dollar accounted for approximately $1.0 million of the increase.

Depreciation and Amortization

Depreciation and amortization of property and equipment increased by $4.5 million reflecting higher depreciation from our continued investment in systems to support our business growth.

Amortization of intangible assets reflects amortization of the $50.1 million of intangible assets recorded upon the acquisition of NextWindow on April 21, 2010. The weighted average amortization period for the intangible assets is 5.6 years.

Non-Operating Expenses

Interest Expense

Interest expense declined by $1.4 million, or 9%, from $14.9 million in the three months ended June 30, 2009 to $13.5 million in the three months ended June 30, 2010. Interest expense declined primarily as a result of the 2010 Reorganization described under Overview above, which resulted in the conversion of the shareholder note payable and cumulative preferred shares into equity during the three months ended June 30, 2010. We expect that interest expense will be approximately $42.4 million lower on an annualized basis using exchange rates in effect at June 30, 2010 after giving effect to the impact of the 2010 Reorganization and the debt repayment from the net proceeds of the IPO.

Foreign Exchange Loss (Gain)

Foreign exchange loss (gain) for the three months ended June 30, 2010 changed by $57.0 million, from a gain of $36.0 million in the three months ended June 30, 2009 to a loss of $21.0 million in the three months ended June 30, 2010. Foreign exchange gains and losses primarily result from the conversion of our U.S. dollar-denominated long-term debt into our functional currency of Canadian dollars. From the end of fiscal 2010 to June 30, 2010, the U.S. dollar strengthened by approximately 5% against the Canadian dollar from C$1.02 to C$1.06, resulting in an unrealized foreign exchange loss on our U.S. dollar-denominated debt of $22.6 million. This compares to a gain reported in the same period in 2009 when the U.S. dollar weakened by approximately 8% compared to the Canadian dollar.

Provision for Income Taxes

Income tax expense increased by $0.4 million, from $8.8 million in the three months ended June 30, 2009 to $9.2 million in the three months ended June 30, 2010 due to an increase in taxable income. Our tax provision is weighted towards Canadian income tax rates as substantially all our taxable income is Canadian-based. In calculating the tax provision we adjust income before income taxes by the unrealized foreign exchange (gain) loss from the revaluation of the U.S. dollar-denominated debt. This is treated as a capital item for income tax purposes. We take a valuation allowance if the conversion of U.S. dollar-denominated debt is in a net foreign exchange loss position due to the uncertainty that we will be able to utilize the capital loss in the future.

Net Income

Net income for the three months ended June 30, 2010 decreased by $49.9 million to $5.0 million compared to net income of $54.9 million for the three months ended June 30, 2009. The primary factor driving the change in net income was the impact of the volatility of the U.S. dollar relative to the Canadian dollar on our U.S. dollar-denominated debt, which contributed to a foreign exchange loss of $21.0 million in the three months ended June 30, 2010 compared to a gain of $36.0 million in the three months ended June 30, 2009.

Adjusted EBITDA

Adjusted EBITDA increased by $15.0 million, or 30%, from $50.6 million in the three months ended June 30, 2009 to $65.6 million in the three months ended June 30, 2010 due to continued growth in the adoption of SMART Board interactive whiteboards and related complementary products. This was offset by approximately $8.6 million related to the weakening of the Euro and GBP and strengthening of the Canadian dollar quarter-over-quarter compared to the U.S. dollar.

Adjusted Net Income

Adjusted Net Income increased by $8.1 million, or 38%, from $21.0 million in the three months ended June 30, 2009 to $29.1 million in the three months ended June 30, 2010 due to continued growth in the adoption of SMART Board interactive whiteboards and related complementary products and the increase in gross margin.

Equity Incentive Plan

As part of the IPO, we have implemented an equity incentive plan which provides for the grant of options, restricted share units and deferred share units to directors, officers and employees of the Company. In July 2010, we issued 1,140,000 stock options of the company s Class A Subordinate Voting Shares at an exercise price of $17.00. These options will vest over various periods ranging between three and four years. We expect these issuances to decrease net income by approximately $2.1 million in fiscal 2011 through a charge for stock-based compensation in selling, marketing and administration expenses.

In August 2010, the Board of Directors approved a change to the Participant Equity Loan Plan (the Plan) whereby the 40% of performance-based shares that did not become unrestricted as part of the IPO transaction, representing 24% of total shares under the Plan, would become unrestricted in two equal installments on each of the next two anniversary dates of the IPO. This will be treated as a change in the Plan for accounting purposes and we expect net income will be impacted for fiscal 2011 by a charge to stock-based compensation in selling, marketing and administration expenses of approximately $4.8 million.

Liquidity and Capital Resources

As of June 30, 2010, we held cash and cash equivalents of $88.5 million. Currently, our primary source of cash flow is generated from sales of interactive whiteboards and complementary products. We believe that ongoing operations and associated cash flow, in addition to our existing cash resources and revolving credit facilities, provides sufficient liquidity to support our business operations for at least the next 12 months.

As part of the 2010 Reorganization described under Overview above, the shareholder note payable and cumulative preferred shares, along with accrued interest and dividends accumulated through May 22, 2010, were effectively converted into Class A Subordinate Voting Shares and Class B Shares upon completion of the IPO and are no longer outstanding.

We have two revolving credit facilities totaling $100 million that form part of the first lien facility: a $45.0 million facility that bears interest at LIBOR plus 2.0%, and a $55.0 million facility put into place in conjunction with our IPO that bears interest at LIBOR plus 3.75%. Both credit facilities mature on August 28, 2013 and were undrawn as of June 30, 2010.

As of June 30, 2010, our outstanding debt balances were as follows:

	Issue Date	Maturity Date	Interest Rate	Amount Outstanding
First lien facility	Aug 28, 2007	Aug 28, 2014	LIBOR + 2.75%	$296.6 million
Second lien facility	Aug 28, 2007	Aug 28, 2015	LIBOR + 7.0%	$100.0 million
Unsecured term loan	Aug 28, 2007	Aug 28, 2015	LIBOR + 8.5%	$81.2 million, including accrued interest
Term construction facility	May 9, 2008	Nov 9, 2010	CAD BA + 4.4%	$47.4 million
Construction loan	Dec 17, 2008	Nov 9, 2010	CAD Prime + 2.0%	$1.4 million, including accrued interest

All debt facilities are U.S. dollar facilities with the exception of the term construction facility and construction loan which are Canadian dollar facilities.

As a result of the closing of our IPO on July 20, 2010, we received proceeds of $135.0 million, net of underwriting commissions and offering expenses. On July 22, 2010 we repaid $19.2 million (C$20.0 million) of our term construction facility with proceeds from the IPO and on July 30, 2010 we repaid $40.0 million of our unsecured term loan. We intend to use the remaining proceeds for working capital and other general corporate purposes, which may include potential acquisitions and further debt reductions.

The following table summarizes the impact of the 2010 Reorganization and IPO on our March 31, 2010 debt and shareholders equity balances in millions of dollars.

	March 31, 2010	June 30, 2010	Pro Forma(1)(2)
Voting Common Shares	$ 41.2	$	$
Non-voting Common Shares	120.1	&nbs	