

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

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**FORM 8-K**

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

Date of Report (Date of earliest event reported): April 26, 2012

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**STRATTEC SECURITY CORPORATION**

(Exact name of registrant as specified in its charter)

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Wisconsin

(State or other jurisdiction of incorporation)

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0-25150

(Commission File Number)

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39-1804239

(I.R.S. Employer I.D. Number)

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3333 West Good Hope Road  
Milwaukee, WI

(Address of Principal Executive Offices)

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53209

(Zip Code)

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(414) 247-3333

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- 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))
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## **Section 2 – Financial Information**

### Item 2.02. Results of Operations and Financial Condition.

On April 26, 2012, STRATTEC SECURITY CORPORATION issued a press release (the "Press Release") announcing results for the fiscal third quarter ended April 1, 2012. A copy of the Press Release is attached as Exhibit 99.1 to this report. The attached Exhibit 99.1 is furnished pursuant to Item 2.02 of Form 8-K.

The information in this Form 8-K and the Exhibit attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except as shall be expressly set forth by specific reference in such filing.

## **Section 9 - Financial Statements and Exhibits**

### Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 -- Press Release of STRATTEC SECURITY CORPORATION, issued April 26, 2012.

SIGNATURE

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.

Date: April 26, 2012

STRATTEC SECURITY CORPORATION

BY /s/ Patrick J. Hansen  
Patrick J. Hansen, Senior Vice President and  
Chief Financial Officer

FOR RELEASE AT 3:00 PM CST

Contact: Pat Hansen  
Senior Vice President and  
Chief Financial Officer  
414-247-3435  
www.strattec.com

**STRATTEC SECURITY CORPORATION  
REPORTS FISCAL 2012 THIRD QUARTER RESULTS**

Milwaukee, Wisconsin – April 26, 2012 -- STRATTEC SECURITY CORPORATION (NASDAQ:STRT) today reported operating results for the fiscal third quarter ended April 1, 2012.

Net sales for the Company's third quarter ended April 1, 2012 were \$70.6 million, compared to net sales of \$65.7 million for the third quarter ended March 27, 2011. The higher net sales for the current quarter can be primarily attributed to increased customer production volumes. Higher content on certain products also contributed to the net sales improvement during the current quarter.

Net income for the current quarterly period was \$2.7 million, compared to a net income of \$55,000 in the prior year quarter. Diluted earnings per share for the current quarterly period were \$.82 compared to diluted earnings per share of \$.02 in the prior year quarter. The lower net income for the prior year quarter was significantly affected by a combination of STRATTEC's share of the cost associated with a customer's specific warranty claim, and an adjustment for customer price concessions. These two items resulted in a pre-tax provision of \$1.8 million during the prior year quarter and reduced diluted earnings per share by \$.33 in the prior year quarter.

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For the nine months ended April 1, 2012, the Company's net sales were \$202.9 million compared to net sales of \$186.7 million in the prior year period. Net income during the current year to date period was \$5.6 million compared to net income of \$2.7 million in the prior year period and diluted earnings per share during the current year to date period were \$1.67 compared to diluted earnings per share of \$.82 in the prior year period.

The year-over-year net sales increase for the current quarter reflected increased sales to STRATTEC's three largest customers. Sales to Chrysler Group LLC were \$23.6 million in the current quarter compared to \$21.6 million in the prior year quarter. Sales to General Motors Company were \$16.8 million compared to \$14.8 million. Sales to Ford Motor Company were \$8.4 million compared to \$7.0 million. Sales to Hyundai/Kia were \$3.6 million compared to \$4.0 million.

Gross profit margins were 18.5 percent in the current quarter compared to 13.9 percent in the prior year quarter. The higher gross profit margin in the current year quarter was primarily the result of a favorable Mexico Peso to U.S. Dollar exchange rate positively affecting the Company's operations in Mexico and favorable customer vehicle production volumes, which increased overhead absorption of STRATTEC's manufacturing costs, offset by higher expense provisions for the Company's Economic Value Added (EVA<sup>®</sup>) incentive bonus plan. Items negatively impacting the year-over-year comparison of the prior year quarter gross margin was the \$1.8 million pre-tax provision mentioned above, in connection with STRATTEC's share of the cost associated with a customer specific warranty claim and an adjustment for customer price concessions which reduced the prior year gross profit margin by 2.7 percentage points.

Operating expenses were \$8.7 million in the current quarter, compared to \$8.0 million in the prior year quarter. As referenced above, this increase in operating expenses was primarily driven by the higher incentive bonus expense incurred during the current quarter.

Included in Other (Expense) Income in the current quarter compared to the prior year quarter were the following items (in thousands of dollars):

	<u>April 1, 2012</u>	<u>March 27, 2011</u>
Foreign Currency Transaction Loss	\$ (698)	\$ (368)
Impact of Mexican Peso Option Contracts, Net Gain (Loss)	1,126	(114)
Rabbi Trust Gain	161	75
Equity (Loss) Earnings of VAST LLC Joint Venture	(140)	197
Other	73	50
	<u>\$ 522</u>	<u>\$ (160)</u>

As reported in our previous fiscal 2012 quarterly operating results, the VAST LLC operations in China and Brazil both incurred relocation costs associated with moves to new facilities and start-up costs associated with a new product line. Both of these items resulted in STRATTEC incurring an equity loss from this joint venture in all three quarters of fiscal year 2012 compared to the same quarters in the prior year in which STRATTEC had equity earnings from the joint venture. We anticipate these transition costs and losses to continue over the remaining 2012 calendar year.

During the current quarter the Company voluntarily contributed \$500,000 to its Defined Benefit Pension Trust.

EVA® is a registered trademark of Stern, Stewart & Co.

STRATTEC designs, develops, manufactures and markets automotive Access Control Products, including mechanical locks and keys, electronically enhanced locks and keys, steering column and instrument panel ignition lock housings, latches, power sliding side door systems, power lift gate systems, power deck lid systems, door handles and related products. These products are provided to customers in North America, and on a global basis through a unique strategic relationship with WITTE Automotive of Velbert, Germany and ADAC Automotive of Grand Rapids, Michigan. Under this relationship, STRATTEC, WITTE and ADAC market our products to global customers under the "VAST" brand name. STRATTEC's history in the automotive business spans over 100 years.

*Certain statements contained in this release contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may be identified by the use of forward-looking words or phrases such as "anticipate," "believe," "could," "expect," "intend," "may," "planned," "potential," "should," "will," and "would." Such forward-looking statements in this release are inherently subject to many uncertainties in the Company's operations and business environment. These uncertainties include general economic conditions, in particular, relating to the automotive industry, consumer demand for the Company's and its customers' products, competitive and technological developments, customer purchasing actions, foreign currency fluctuations, and costs of operations (including fluctuations in the cost of raw materials). Shareholders, potential investors and other readers are urged to consider these factors carefully in evaluating the forward looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements made herein are only made as of the date of this press release and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances occurring after the date of this release. In addition, such uncertainties and other operational matters are discussed further in the Company's quarterly and annual filings with the Securities and Exchange Commission.*

**STRATTEC SECURITY CORPORATION**  
**Results of Operations**  
(In Thousands except per share amounts)  
(Unaudited)

	<i>Third Quarter Ended</i>		<i>Nine Months Ended</i>	
	<u>April 1, 2012</u>	<u>March 27, 2011</u>	<u>April 1, 2012</u>	<u>March 27, 2011</u>
Net Sales	70,608	\$ 65,650	\$ 202,871	\$ 186,711
Cost of Goods Sold	<u>57,556</u>	<u>56,531</u>	<u>167,075</u>	<u>157,466</u>
Gross Profit	13,052	9,119	35,796	29,245
Engineering, Selling & Administrative Expenses	<u>8,720</u>	<u>7,953</u>	<u>24,907</u>	<u>24,436</u>
Income from Operations	4,332	1,166	10,889	4,809
Interest Income	15	36	47	84
Interest Expense – Related Parties	(19)	(38)	(73)	(134)
Other Income (Expense), Net	<u>522</u>	<u>(160)</u>	<u>(155)</u>	<u>899</u>
	4,850	1,004	10,708	5,658
Provision for Income Taxes	<u>1,136</u>	<u>262</u>	<u>2,717</u>	<u>1,394</u>
Net Income	3,714	742	7,991	4,264
Net Income Attributable to Non-Controlling Interest	<u>986</u>	<u>687</u>	<u>2,433</u>	<u>1,544</u>
Net Income Attributable to STRATTEC SECURITY CORPORATION	<u>\$ 2,728</u>	<u>\$ 55</u>	<u>\$ 5,558</u>	<u>\$ 2,720</u>
Earnings Per Share:				
Basic	<u>\$ 0.83</u>	<u>\$ 0.02</u>	<u>\$ 1.68</u>	<u>\$ 0.83</u>
Diluted	<u>\$ 0.82</u>	<u>\$ 0.02</u>	<u>\$ 1.67</u>	<u>\$ 0.82</u>
Average Basic Shares Outstanding	3,303	3,286	3,299	3,284
Average Diluted Shares Outstanding	3,333	3,339	3,329	3,322
<b>Other</b>				
Capital Expenditures	\$ 3,296	\$ 2,245	\$ 9,585	\$ 5,727
Depreciation & Amortization	\$ 1,752	\$ 1,677	\$ 5,083	\$ 4,904



**STRATTEC SECURITY CORPORATION****Condensed Balance Sheet Data  
(In Thousands)**

	<u>April 1, 2012</u>	<u>July 3, 2011</u>
	(Unaudited)	
<b>ASSETS</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 15,664	17,250
Receivables, Net	41,591	39,649
Inventories	23,059	22,135
Other Current Assets	<u>17,366</u>	<u>15,368</u>
Total Current Assets	97,680	94,402
Deferred Income Taxes	3,667	3,639
Loan to Joint Venture	-	1,500
Investment in Joint Venture	8,890	7,276
Other Long Term Assets	560	635
Property, Plant and Equipment, Net	<u>44,425</u>	<u>40,636</u>
	<u>\$ 155,222</u>	<u>\$ 148,088</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current Liabilities:		
Accounts Payable	\$ 24,373	\$ 22,851
Other	<u>28,875</u>	<u>28,137</u>
Total Current Liabilities	53,248	50,988
Borrowings Under Line of Credit Facility	-	-
Accrued Pension and Post Retirement Obligations	5,414	7,036
Other Long Term Liabilities	85	-
Shareholders' Equity	249,197	243,974
Accumulated Other Comprehensive Loss	(22,982)	(21,750)
Less: Treasury Stock	<u>(135,980)</u>	<u>(136,009)</u>
Total STRATTEC SECURITY CORPORATION Shareholders' Equity	90,235	86,215
Non-Controlling Interest	<u>6,240</u>	<u>3,849</u>
Total Shareholders' Equity	<u>96,475</u>	<u>90,064</u>
	<u>\$ 155,222</u>	<u>\$ 148,088</u>

**STRATTEC SECURITY CORPORATION**  
**Condensed Cash Flow Statement Data**  
**(In Thousands)**  
*(Unaudited)*

	<i>Third Quarter Ended</i>		<i>Nine Months Ended</i>	
	<u>April 1, 2012</u>	<u>March 27, 2011</u>	<u>April 1, 2012</u>	<u>March 27, 2011</u>
<b>Cash Flows from Operating Activities:</b>				
Net Income	3,714	\$ 742	\$ 7,991	\$ 4,264
Adjustment to Reconcile Net Income to				
Cash Provided by (Used In) Operating Activities:				
Equity Loss (Earnings) in VAST LLC Joint Venture	140	(197)	452	(1,000)
Depreciation and Amortization	1,752	1,677	5,083	4,904
Foreign Currency Transaction Loss (Gain)	698	368	(907)	558
Unrealized (Gain) Loss Foreign Currency Option				
Contracts	(1,174)	114	542	114
Stock Based Compensation Expense	251	155	622	453
Change in Operating Assets/Liabilities	(728)	(5,453)	(3,936)	(9,650)
Other, net	(10)	32	6	49
Net Cash Provided by (Used In) Operating Activities	4,643	(2,562)	9,853	(308)
<b>Cash Flows from Investing Activities:</b>				
Investment in Joint Ventures	-	(150)	(200)	(300)
Restricted Cash	-	-	-	2,100
Purchase of Additional Interest in ADAC-STRATTEC LLC	-	-	-	(22)
Additions to Property, Plant and Equipment	(3,296)	(2,245)	(9,585)	(5,727)
Proceeds from Sale of Property, Plant and Equipment	9	21	9	21
Net Cash Used in Investing Activities	(3,287)	(2,374)	(9,776)	(3,928)
<b>Cash Flow from Financing Activities:</b>				
Dividends Paid	(336)	-	(1,006)	(3,989)
Repayment of Loan to Related Parties	-	(100)	(850)	(850)
Exercise of Stock Options and Employee Stock Purchases	10	16	74	44
Net Cash Used in Financing Activities	(326)	(84)	(1,782)	(4,795)
Effect of Foreign Currency Fluctuations on Cash	(129)	(111)	119	(156)
Net Increase (Decrease) in Cash & Cash Equivalents	901	(5,131)	(1,586)	(9,187)
<b>Cash and Cash Equivalents:</b>				
Beginning of Period	14,763	17,811	17,250	21,867
End of Period	<u>\$ 15,664</u>	<u>\$ 12,680</u>	<u>\$ 15,664</u>	<u>\$ 12,680</u>