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THOMAS INDUSTRIES INC  
Form 8-K/A  
August 13, 2004

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K/A

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 31, 2004  
(Previously reported as August 2, 2004)

THOMAS INDUSTRIES INC.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation)

1-5426  
(Commission File Number)

61-0505332  
(IRS Employer Identification No.)

4360 Brownsboro Road, Suite 300  
Louisville, Kentucky  
(Address of principal executive offices)

40207  
(Zip Code)

Registrant's telephone number, including area code  
502/893-4600

N/A  
(Former name or former address, if changed since last report)

ITEM 2. Acquisition or Disposition of Assets

On July 31, 2004, Thomas Industries Inc. (the "Company" or "Thomas") completed the sale of its 32% joint venture interest in Genlyte Thomas Group LLC (GTG) to the Genlyte Group Incorporated for approximately \$400 million, which is an estimate that will not be finalized until March 2005 due to tax considerations.

ITEM 7. Financial Statements, Pro Forma Financial Information and Exhibits.

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(b) Pro Forma Financial Information

The Unaudited Pro Forma Consolidated Statements of Income set forth below give the effect to the sale of GTG (described in ITEM 2 above) as if the sale had occurred at the beginning of each period presented. The Unaudited Pro Forma Consolidated Condensed Balance Sheet at June 30, 2004 includes adjustments to reflect an estimated after-tax gain of approximately \$84.6 million (based on a 6/30/04 book basis) on the sale of GTG assuming the sale had been completed as of that date. The pro forma gain adjustment has not been made to the Unaudited Pro Forma Consolidated Statements of Income, as it will not have a continuing impact on the Company's results of operations.

The pro forma adjustments are based on presently available information and assumptions that management believes are reasonable and are described in the Notes to Unaudited Pro Forma Consolidated Condensed Financial Statements. The unaudited pro forma financial information has been included as required by the Securities and Exchange Commission and is not necessarily indicative of the results that would have been reported had the disposition actually occurred on the dates specified, nor is it indicative of the results that may be obtained in the future.

The Unaudited Pro Forma Consolidated Condensed Financial Statements should be read in conjunction with the Company's Annual Report for the year ended December 31, 2003 and the Company's unaudited financial statements for the six months ended June 30, 2004.

THOMAS INDUSTRIES INC. AND SUBSIDIARIES  
 UNAUDITED PRO FORMA CONSOLIDATED CONDENSED STATEMENTS OF INCOME  
 FOR THE SIX MONTHS ENDED JUNE 30, 2004  
 (IN THOUSANDS, EXCEPT SHARE DATA)

	Actual	Sale of GTG	Pro Forma Ad
	-----	-----	-----
Net sales	\$ 212,174	\$ -	
Cost of products sold	136,228	-	
	-----	-----	
Gross profit	75,946	-	
Selling, general and administrative expenses	58,368	-	

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Equity income from GTG	15,419	(15,419) (C)
Operating income	32,997	(15,419)
Interest expense	1,961	-
Interest income (expense) and other	434	-
Income before income taxes	31,470	(15,419)
Income taxes	11,015	(5,397) (E)
Net income	\$ 20,455	\$ (10,022)
Net income per share - basic	\$ 1.18	\$ (0.58)
Net income per share - dilutive	\$ 1.15	\$ (0.56)
Shares used in computing basic net income per share	17,355	17,355
Shares used in computing dilutive net income per share	17,743	17,743

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THOMAS INDUSTRIES INC. AND SUBSIDIARIES  
 UNAUDITED PRO FORMA CONSOLIDATED CONDENSED STATEMENTS OF INCOME  
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2003  
 (IN THOUSANDS, EXCEPT SHARE DATA)

	Actual	Sale of GTG	Pro Forma A
Net sales	\$ 376,774	\$ -	
Cost of products sold	246,832	-	
Gross profit	129,942	-	
Selling, general and administrative expenses	101,943	-	
Equity income from GTG	32,138	(32,138) (C)	
Operating income	60,137	(32,138)	
Interest expense	4,237	-	

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Interest income (expense) and other	(221)	-
Income before income taxes	55,679	(32,138)
Income taxes	18,340	(10,573) (E)
Net income before minority interest	37,339	(21,565)
Minority interest, net of tax	25	-
Net income	\$ 37,314	\$ (21,565)
Net income per share - basic	\$ 2.17	\$ (1.25)
Net income per share - dilutive	\$ 2.12	\$ (1.23)
Shares used in computing basic net income per share	17,200	17,200
Shares used in computing dilutive net income per share	17,570	17,570

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THOMAS INDUSTRIES INC. AND SUBSIDIARIES  
 UNAUDITED PRO FORMA CONSOLIDATED CONDENSED BALANCE SHEETS  
 AT JUNE 30, 2004  
 (IN THOUSANDS)

	Actual	Sale of GTG	Pro Forma Adju
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 37,379	\$ 316,382 (G)	
Accounts receivable, net	59,448	-	
Deferred income taxes	70,021	-	
Other current assets	6,804	-	
	5,806	-	
Total current assets	179,458	316,382	
Property, plant & equipment	106,789	-	

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Investment in GTG	224,767	(224,767) (G)
Other intangible assets, net	21,110	-
Goodwill	62,545	-
Other assets	4,828	(284) (G)
	-----	-----
TOTAL ASSETS	\$ 599,497	\$ 91,331
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Notes payable	\$ 5,082	\$ -
Accounts payable	15,350	-
Accrued expense and other current liabilities	33,342	-
Dividends payable	1,651	-
Income taxes payable	3,985	-
Current portion of long-term debt	9,775	-
	-----	-----
Total current liabilities	69,185	-
Deferred income taxes	5,788	497 (G)
Long-term debt, less current portion	103,812	-
Long-term pension liability	13,189	-
Other long-term liabilities	9,184	-
	-----	-----
TOTAL LIABILITIES	201,158	497
Shareholders' equity:		
Preferred stock	-	-
Common stock	18,275	-
Capital surplus	139,791	760 (G)
Deferred compensation	1,518	-
Treasury stock held for deferred compensation	(1,518)	-
Retained earnings	233,454	84,646 (G)
Accumulated other comprehensive income (loss)	18,878	5,428 (G)
Less cost of treasury shares	(12,059)	-
	-----	-----
TOTAL SHAREHOLDERS' EQUITY	398,339	90,834
	-----	-----
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 599,497	\$ 91,331
	=====	=====

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THOMAS INDUSTRIES INC. AND SUBSIDIARIES  
NOTES TO UNAUDITED PRO FORMA CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

Transaction Summary

The Company received \$400.4 million of cash proceeds from the sale of its 32% interest in GTG. From this amount, we assumed transaction costs of \$2.8 million and income taxes of \$81.2 million would be paid, which would leave \$316.4 million of net cash proceeds.

From the net cash proceeds, \$109.0 million was used to pay short-term notes payable to banks of \$5.1 million, \$7.7 million of current portion of long-term debt, and \$96.2 million of long-term debt.

Using the Company's book value at June 30, 2004, the Company's estimated net

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gain from the sale of GTG is \$84.6 million, which was only included as an adjustment to the pro forma balance sheet as of June 30, 2004. The net gain was not included for pro forma income statement purposes for any period presented, since this net gain will not have a continuing impact on the Company's results of operations.

### Adjustments to Unaudited Pro Forma Consolidated Condensed Financial Statements:

- (A) Represents the Company's pro forma statements of income and balance sheet for the periods and as of the date indicated. Pro forma as adjusted reflects the sale of its 32% interest in GTG and the use of a portion of the net proceeds from the sale to repay short-term and long-term debt.
- (B) The adjustment reflects the reduced bank fees and deferred loan amortization due to using a portion of the proceeds from the sale of GTG to pay down bank debt as of the beginning of the period, as follows:

Description	Six Months Ended June 30, 2004	Twelve Months Ended December 31, 2003
	(In thousands)	
Reduced bank fees due to paying down debt	\$160	\$318
Reduced deferred loan amortization	124	248
	----	----
<b>Total</b>	<b>\$284</b>	<b>\$566</b>
	====	====

- (C) The adjustment reflects the elimination of GTG equity income due to the sale of GTG as of the beginning of the period.
- (D) The adjustment reflects the reduced interest expense due to using a portion of the proceeds from the sale of GTG to pay down debt as of the beginning of the period. Specifically, the interest expense was calculated as follows for the respective period:

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Description	Six Months Ended June 30, 2004	Twelve Months Ended December 31, 2003
	(In thousands)	
Revolving credit notes at variable interest rates based on actual interest incurred	\$1,048	\$2,053
Industrial revenue bonds at variable interest rates based on actual interest incurred	8	17
Senior notes at a 9.36% fixed rate for the outstanding balance multiplied		

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by the appropriate number of days:

\$7.7 million outstanding 1/1/03-1/31/03	-	62
\$7.7 million outstanding 1/1/03-1/31/04	62	724
\$7.7 million outstanding 1/1/03-6/30/04	360	720
	-----	-----
Total related to senior notes	422	1,506
	-----	-----
Total Interest Expense	\$1,478	\$3,576
	=====	=====

(E) The adjustment reflects the tax effect of the pro forma adjustments at the Company's actual effective tax rates as follows:

	Six Months Ended June 30, 2004	Twelve Months Ended December 31, 2003
Description	(In thousands)	
-----	-----	-----
Elimination of GTG equity income	\$15,419	\$32,138
Effective tax rate	x 35%	x 32.9%
	-----	-----
Total	\$ 5,397	\$10,573
	=====	=====

(F) The adjustment reflects the tax effect of the pro forma adjustments as follows:

	Six Months Ended June 30, 2004	Twelve Months Ended December 31, 2003
Description	(In thousands)	
-----	-----	-----
Reduced bank fees due to paying down debt	\$ 160	\$ 318
Reduced deferred loan amortization	124	248
Reduced interest expense due to paying down debt (see Footnote (D))	1,478	3,576
	-----	-----
Income before income taxes	1,762	4,142
Effective tax rate	x 35%	x 32.9%
	-----	-----
Subtotal	617	1,363
	-----	-----
To adjust overall effective tax rate:		
Pro forma as adjusted-income before income taxes	17,813	27,683
Tax rate differential:		
From 35% to 38.1%	x 3.1%	
From 32.98% to 34.9%		x 1.92%
	-----	-----
Subtotal	552	531
	-----	-----
Total	\$ 1,169	\$ 1,894
	=====	=====

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The increase in the Company's overall effective tax rate is primarily due to the impact of GTG's foreign equity earnings (recorded net of tax), which previously reduced the Company's effective tax rate.

(G) The adjustments reflect the sale of GTG as follows:

Description -----	(In th -----
Gross cash proceeds from sale of GTG	\$40
Estimated transaction costs	(
Estimated income taxes	(8
	-----
Net cash proceeds from sale of GTG	31
Less balances as of June 30, 2004:	
Elimination of the investment in GTG	(22
Elimination of deferred loan costs related to debt being paid down	
Elimination of deferred income tax assets related to GTG	
Acceleration of the expensing of stock options issued to GTG employees	
Accumulated other comprehensive income (loss) adjustments:	
Elimination of minimum pension liabilities (net of tax) related to GTG	(4,938)
Elimination of foreign currency translation related to GTG	(490)
	-----
Adjustment to retained earnings	\$ 8
	=====

(H) The adjustments reflect the use of a portion of the proceeds from the sale of GTG to pay off the June 30, 2004 debt balances as follows:

Description -----	(In -----
Payoff short-term notes payable to banks	\$
Payoff senior notes	
Long-term debt, less current portion adjustments:	
Payoff revolving credit notes	95,000
Payoff industrial revenue bonds	1,250
	-----
Total reduction in cash	=

(c) Exhibits

Exhibit Number -----	Description -----
2	Purchase Agreement dated May 20, 2004 among Genlyte Thomas Group LLC, The Genlyte Group Incorporated and the Company, filed as Exhibit 2 to registrant's report on Form 8-K filed May 21, 2004, hereby incorporated by reference.



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99.1 Press Release dated August 2, 2004 announcing sale of its interest in Genlyte Thomas Group LLC, filed as Exhibit 99.1 to registrant's report on Form 8-K filed August 2, 2004, hereby incorporated by reference.

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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 hereunto duly authorized.

THOMAS INDUSTRIES INC.  
(Registrant)

By: /s/ Phillip J. Stuecker

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Phillip J. Stuecker, Vice President  
of Finance, Chief Financial Officer,  
and Secretary

Dated: August 13, 2004

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