

John Bean Technologies CORP
Form 10-Q
August 04, 2011

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended June 30, 2011

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 1-34036

John Bean Technologies Corporation
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

91-1650317
(I.R.S. Employer
Identification No.)

70 West Madison Street, Chicago, Illinois
(Address of principal executive offices)

60602
(Zip code)

(312) 861-5900
(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 Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such

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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," "non-accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer 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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at August 1, 2011
Common Stock, par value \$0.01 per share	28,642,344

PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

John Bean Technologies Corporation
Condensed Consolidated Statements of Income (Unaudited)

(In millions, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Revenue	\$252.5	\$208.3	\$454.0	\$377.3
Operating expenses:				
Cost of sales	192.7	153.9	343.0	276.0
Selling, general and administrative expense	37.8	35.4	75.5	70.6
Research and development expense	4.9	4.3	9.8	8.6
Other (income) expense, net	(0.3)	0.3	(1.0)	(0.2)
Operating income	17.4	14.4	26.7	22.3
Net interest expense	(1.7)	(2.0)	(3.4)	(3.9)
Income from continuing operations before income taxes	15.7	12.4	23.3	18.4
Provision for income taxes	5.3	4.2	8.0	6.3
Income from continuing operations	10.4	8.2	15.3	12.1
Loss from discontinued operations, net of taxes	(0.1)	(0.1)	(0.1)	-
Net income	\$10.3	\$8.1	\$15.2	\$12.1
Basic earnings per share:				
Income from continuing operations	\$0.36	\$0.29	\$0.53	\$0.43
Income from discontinued operations	-	-	-	-
Net income	\$0.36	\$0.29	\$0.53	\$0.43
Diluted earnings per share:				
Income from continuing operations	\$0.35	\$0.28	\$0.52	\$0.42
Income from discontinued operations	-	-	-	-
Net income	\$0.35	\$0.28	\$0.52	\$0.42
Weighted average shares outstanding:				
Basic	28.8	28.2	28.8	28.2
Diluted	29.3	29.1	29.3	29.0

The accompanying notes are an integral part of the condensed consolidated financial statements.

John Bean Technologies Corporation
Condensed Consolidated Balance Sheets

(In millions, except per share data and number of shares)

	June 30, 2011 (Unaudited)	December 31, 2010
Assets:		
Current Assets:		
Cash and cash equivalents	\$ 7.8	\$ 13.7
Trade receivables, net of allowances of \$3.9 and \$4.8, respectively	190.9	192.7
Inventories	128.1	106.7
Other current assets	38.9	43.3
Assets held for sale	2.7	-
Total current assets	368.4	356.4
Property, plant and equipment, net of accumulated depreciation of \$242.3 and \$225.5, respectively	132.3	128.7
Other assets	97.4	97.1
Total Assets	\$ 598.1	\$ 582.2
Liabilities and Stockholders' Equity:		
Current Liabilities:		
Accounts payable, trade and other	\$ 87.6	\$ 86.3
Advance and progress payments	55.3	52.4
Other current liabilities	97.5	103.3
Total current liabilities	240.4	242.0
Long-term debt, less current portion	145.2	145.4
Accrued pension and other postretirement benefits, less current portion	71.7	73.0
Other liabilities	29.8	28.8
Stockholders' equity:		
Preferred stock, \$0.01 par value; 20,000,000 shares authorized; no shares issued	-	-
Common stock, \$0.01 par value; 120,000,000 shares authorized; 2011: 28,642,064 issued and outstanding; 2010: 28,237,279 issued and 28,185,834 outstanding	0.3	0.3
Common stock held in treasury, at cost; 2010: 51,445 shares	-	(0.7)
Additional paid-in capital	58.1	59.1
Retained earnings	84.7	73.6
Accumulated other comprehensive loss	(32.1)	(39.3)
Total stockholders' equity	111.0	93.0
Total Liabilities and Stockholders' Equity	\$ 598.1	\$ 582.2

The accompanying notes are an integral part of the condensed consolidated financial statements.

John Bean Technologies Corporation
Condensed Consolidated Statements of Cash Flows (Unaudited)

(In millions)

	Six Months Ended June 30,	
	2011	2010
Cash Flows From Operating Activities:		
Net income	\$ 15.2	\$ 12.1
Loss from discontinued operations, net of income taxes	0.1	-
Income from continuing operations	15.3	12.1
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	11.9	11.0
Stock-based compensation	2.8	3.5
Other	(1.9)	1.3
Changes in operating assets and liabilities:		
Trade receivables, net	4.9	2.3
Inventories	(19.7)	(16.6)
Accounts payable, trade and other	0.4	3.9
Advance and progress payments	1.8	0.9
Other assets and liabilities, net	(2.3)	(13.0)
Cash provided by continuing operating activities	13.2	5.4
Net cash required by discontinued operating activities	(0.3)	-
Cash provided by operating activities	12.9	5.4
Cash Flows From Investing Activities:		
Capital expenditures	(10.7)	(7.3)
Proceeds from disposal of assets	0.1	1.5
Other	(1.0)	-
Cash required by investing activities	(11.6)	(5.8)
Cash Flows From Financing Activities:		
Net increase in short-term debt	0.6	2.3
Net proceeds (payments) on credit facilities	0.4	(4.2)
(Payments on) issuance of long-term debt	(0.8)	2.9
Excess tax benefits	1.7	1.6
Tax withholdings on stock-based compensation awards	(4.8)	(3.5)
Dividends	(4.4)	(4.2)
Cash required by financing activities	(7.3)	(5.1)
Effect of foreign exchange rate changes on cash and cash equivalents	0.1	(0.3)
Decrease in cash and cash equivalents	(5.9)	(5.8)
Cash and cash equivalents, beginning of period	13.7	14.4
Cash and cash equivalents, end of period	\$ 7.8	\$ 8.6

The accompanying notes are an integral part of the condensed consolidated financial statements.

John Bean Technologies Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)

Note 1: Description of Business and Basis of Presentation

Description of Business— John Bean Technologies Corporation and its consolidated subsidiaries (“JBT Corporation” or “we”) provide global technology solutions for the food processing and air transportation industries. We design, manufacture, test and service technologically sophisticated systems and products for customers through our JBT FoodTech and JBT AeroTech segments. We have manufacturing operations worldwide and are strategically located to facilitate delivery of our products and services to our customers.

Basis of Presentation—The preceding condensed consolidated balance sheet as of December 31, 2010, which has been derived from audited financial statements, and unaudited interim condensed consolidated financial statements, together with the notes thereto (the “statements”), of JBT Corporation have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. As permitted under those rules, certain footnotes and other financial information that are normally required by accounting principles generally accepted in the United States can be condensed or omitted. Therefore, these statements should be read in conjunction with the audited annual consolidated and combined financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2010.

In the opinion of management, the statements reflect all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of our financial condition and operating results as of and for the periods presented. Revenue, expenses, assets and liabilities can vary during each quarter of the year. Therefore, the results and trends in these statements may not be representative of those for the full year or any future period.

Reclassifications—Certain amounts in prior years’ financial information have been reclassified to conform to the current year presentation.

Note 2: Inventories

Inventories consisted of the following:

(In millions)	June 30, 2011	December 31, 2010
Raw materials	\$ 70.4	\$ 65.8
Work in process	42.5	29.8
Finished goods	75.9	69.6
Gross inventories before LIFO reserves and valuation adjustments	188.8	165.2
LIFO reserves and valuation adjustments	(60.7)	(58.5)
Net inventories	\$ 128.1	\$ 106.7

Note 3: Pension and Other Postretirement Benefits

Components of net periodic benefit income were as follows:

(In millions)	Pension Benefits				Other Postretirement Benefits			
	Three Months Ended		Six Months Ended		Three Months Ended		Six Months Ended	
	June 30,	June 30,	June 30,	June 30,	June 30,	June 30,	June 30,	
	2011	2010	2011	2010	2011	2010	2011	2010
Service cost	\$0.5	\$0.4	\$0.8	\$0.8	\$0.1	\$0.1	\$0.1	\$0.1
Interest cost	3.6	3.5	7.2	7.1	0.1	0.1	0.2	0.2
	(4.6)	(4.6)	(9.2)	(9.2)	-	-	-	-

Expected return on assets									
Amortization of prior service benefit	-	-	-	-	(0.3)	(0.3)	(0.5)	(0.5)	
Amortization of actuarial losses, net	0.4	0.2	0.8	0.3	-	-	-	-	
Settlement cost	-	0.3	-	0.3	-	-	-	-	
Net periodic benefit income	\$(0.1)	\$(0.2)	\$(0.4)	\$(0.7)	\$(0.1)	\$(0.1)	\$(0.2)	\$(0.2)	

Note 4: Stock-based Compensation

Stock-based compensation expense was \$1.5 million and \$1.9 million for the three months ended June 30, 2011 and 2010, respectively, and \$2.8 million and \$3.5 million for the six months ended June 30, 2011 and 2010, respectively.

In the six months ended June 30, 2011, we granted the following restricted stock awards:

	Shares	Weighted Average Grant Date Fair Value
Time-based	177,946	
Performance-based	185,582	*
Granted during the six months ended June 30, 2011	363,528	\$ 18.63

* Assumes target payout

We granted time-based restricted stock awards that vest after three years. The fair value of these time-based awards was determined using the market value of our common stock on the grant date. Compensation cost is recognized over the lesser of the stated vesting period or the period until the employee reaches age 62, the retirement eligible age under the plan. We also granted restricted stock awards with performance-based conditions. The vesting period for these awards is three years.

For current year performance-based awards, actual payouts may vary from zero to 371,164 shares and will be dependent upon our performance relative to prior year with respect to growth in earnings and net contribution (which is an economic value added measure calculated by determining the amount by which our net income from continuing operations, after adding back interest expense, exceeds our cost of capital) for the year ending December 31, 2011. Compensation cost is measured based on the current expected outcome of the performance conditions and may be adjusted until the performance period ends.

Note 5: Stockholders' Equity

During the six months ended June 30, 2011, 0.5 million shares were issued in connection with our stock-based compensation plan. During the year ended December 31, 2010, 0.6 million shares were issued.

Comprehensive income consisted of the following:

(In millions)	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2011	2010	2011	2010
Net income	\$10.3	\$8.1	\$15.2	\$12.1
Foreign currency translation adjustments	2.0	(6.2)	6.9	(9.6)
Derivatives designated as hedges, net of tax of \$0.1 for the six months ended June 30, 2011 and 2010, respectively	-	-	0.1	0.2
Pension and other postretirement liability adjustments, net of tax of \$0.1 for the three months and the six months ended June 30, 2011	0.1	0.1	0.2	-
Comprehensive income	\$12.4	\$2.0	\$22.4	\$2.7

Note 6: Earnings Per Share

Basic earnings per share (“EPS”) is computed by dividing net income by the weighted average number of common shares outstanding for the period. Diluted EPS reflects the assumed conversion of all dilutive securities.

The following table sets forth the computation of basic and diluted EPS from continuing operations for the respective periods and our basic and dilutive shares outstanding:

(In millions, except per share data)	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2011	2010	2011	2010
Basic earnings per share:				
Income from continuing operations	\$10.4	\$8.2	\$15.3	\$12.1
Weighted average number of shares outstanding	28.8	28.2	28.8	28.2
Basic earnings per share from continuing operations	\$0.36	\$0.29	\$0.53	\$0.43
Diluted earnings per share:				
Income from continuing operations	\$10.4	\$8.2	\$15.3	\$12.1
Weighted average number of shares outstanding	28.8	28.2	28.8	28.2
Effect of dilutive securities:				
Options on common stock	-	0.1	-	0.1
Restricted stock	0.5	0.8	0.5	0.7
Total shares and dilutive securities	29.3	29.1	29.3	29.0
Diluted earnings per share from continuing operations	\$0.35	\$0.28	\$0.52	\$0.42

Note 7: Derivative Financial Instruments and Risk Management

Derivative financial instruments— We hold derivative financial instruments for the purpose of hedging foreign currency risks and interest rate risks of certain identifiable and anticipated transactions.

We manufacture and sell our products in a number of countries throughout the world and, as a result, are exposed to movements in foreign currency exchange rates. Our major foreign currency exposures involve the markets in Western Europe, South America and Asia. The purpose of our foreign currency hedging activities is to manage the economic impact of exchange rate volatility associated with anticipated foreign currency purchases and sales made in the normal course of business. We primarily utilize forward exchange contracts with maturities of less than 2 years. As of June 30, 2011, we held forward exchange contracts with an aggregate notional value of \$336.0 million. Many of our sales and purchase contracts are written contemplating this risk and therefore contain embedded derivatives, which we take into consideration as part of our risk management policy.

During 2010 and through January 31, 2011, we had an interest rate swap that fixed the annual interest rate on a portion of our borrowings under the credit facility at 4.9%. For the period prior to January 30, 2010, the interest rate swap fixed the interest rate on \$50 million of our borrowings and for the period from January 30, 2010 to January 31, 2011, the interest rate swap fixed the interest rate on \$25 million of our borrowings.

Our policy is to hold derivatives only for the purpose of hedging risks and not for trading purposes where the objective is solely to generate profit. Generally, we enter into hedging relationships such that changes in the fair values or cash flows of items and transactions being hedged are expected to be offset by corresponding changes in the fair value of the derivatives.

With the exception of the interest rate swap and certain foreign exchange derivatives entered into prior to our spin-off in July 2008, we do not apply hedge accounting. All derivatives are recognized on the balance sheet at their fair value

and classified based on the instrument's maturity date. We do not offset fair value amounts for derivative instruments held with the same counterparty. Changes in the fair value of derivative instruments are recorded in current earnings or deferred in accumulated other comprehensive income (loss) until the underlying transactions are recognized in earnings, depending on whether a derivative is designated as, and is effective as, a hedge. Cash flows from derivatives are classified as cash flows from operating activities.

The following table presents the fair value of derivative instruments included within the condensed consolidated balance sheets:

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(In millions)	As of June 30, 2011		As of December 31, 2010	
	Asset Derivatives (1)	Liability Derivatives (2)	Asset Derivatives (1)	Liability Derivatives (2)
Derivatives designated as hedging instruments:				
Interest rate swap contract	\$-	\$-	\$-	\$0.2
Foreign exchange contracts	-	0.3	-	0.4
Total derivatives designated as hedging instruments	-	0.3	-	0.6
Derivatives not designated as hedging instruments:				
Foreign exchange contracts	10.3	8.3	11.9	8.2
Total derivatives not designated as hedging instruments	\$10.3	\$8.3	\$11.9	\$8.2

(1) Included in other current assets and other assets on our Condensed Consolidated Balance Sheets.

(2) Included in other current liabilities and other liabilities on our Condensed Consolidated Balance Sheets.

The following table presents the effective portion of the gains and losses on derivative instruments affecting the condensed consolidated statements of income:

Derivatives designated as cash flow hedges	Amount of Gain (Loss) Recognized in OCI on Derivatives (1)				Location of Gain (Loss) Reclassified from Accumulated OCI into Income	Amount of Gain (Loss) Reclassified from Accumulated OCI into Income (1)			
	Three Months Ended June 30,		Six Months Ended June 30,			Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010		2011	2010	2011	2010
Interest rate swap contract	\$-	\$-	\$-	\$-	Net interest expense	\$-	\$(0.2)	\$-	\$(0.5)
Foreign exchange contracts	(0.1)	(0.2)	-	(0.2)	Revenue	(0.1)	-	(0.2)	-
Total	\$(0.1)	\$(0.2)	\$-	\$(0.2)		\$(0.1)	\$(0.2)	\$(0.2)	\$(0.5)

(1) For the three and six months ended June 30, 2011 and 2010, we recorded in other income, net an immaterial amount of ineffectiveness from cash flow hedges.

As of June 30, 2011, we do not expect to reclassify a significant amount of accumulated other comprehensive loss into earnings within the next 12 months. All forecasted transactions are expected to occur by 2013.

The following table presents the location in the consolidated statements of income and the gain (loss) recognized on derivatives not designated as hedging instruments:

Derivatives not designated as hedging	Location of Gain (Loss) Recognized	Amount of Gain (Loss) Recognized in Income on Derivatives
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instruments	in Income on Derivatives	Three Months Ended		Six Months Ended	
		June 30,		June 30,	
(In millions)		2011	2010	2011	2010
Foreign exchange contracts	Revenue	\$ (0.2)	\$ (0.3)	\$ 2.5	\$ 0.9
Foreign exchange contracts	Cost of sales	0.6	0.3	0.5	(0.1)
Foreign exchange contracts	Other income, net	0.1	-	0.4	0.2
Total		\$ 0.5	\$ 0.0	\$ 3.4	\$ 1.0
Remeasurement of assets and liabilities in foreign currencies					
		0.6	0.9	-	0.1
Net gain on foreign currency transactions					
		\$ 1.1	\$ 0.9	\$ 3.4	\$ 1.1

Refer to Note 8: Fair Value of Financial Instruments for a description of how the above financial instruments are valued.

Credit risk — By their nature, financial instruments involve risk including credit risk for non-performance by counterparties. Financial instruments that potentially subject us to credit risk primarily consist of trade receivables and derivative contracts. We manage the credit risk on financial instruments by transacting only with financially secure counterparties, requiring credit approvals and credit limits, and monitoring counterparties' financial condition. Our maximum exposure to credit loss in the event of non-performance by the counterparty is limited to the amount drawn and outstanding on the financial instrument. Allowances for losses are established based on collectability assessments.

Note 8: Fair Value of Financial Instruments

The fair value framework requires the categorization of assets and liabilities into three levels based upon the assumptions (inputs) used to price the assets or liabilities. Level 1 provides the most reliable measure of fair value, whereas Level 3 generally requires significant management judgment. The three levels are defined as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2: Observable inputs other than those included in Level 1. For example, quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in inactive markets.

Level 3: Unobservable inputs reflecting management's own assumptions about the inputs used in pricing the asset or liability.

Financial assets and financial liabilities measured at fair value on a recurring basis are as follows:

(In millions)	Total	As of June 30, 2011			As of December 31, 2010			
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Assets:								
Investments	\$10.6	\$10.6	\$-	\$-	\$9.9	\$9.9	\$-	\$-
Derivatives	10.3	-	10.3	-	11.9	-	11.9	-
Total assets	\$20.9	\$10.6	\$10.3	\$-	\$21.8	\$9.9	\$11.9	\$-
Liabilities:								
Derivatives	\$8.6	\$-	\$8.6	\$-	\$8.8	\$-	\$8.8	\$-

Investments are classified as trading securities and are valued based on quoted prices in active markets for identical assets or liabilities that we have the ability to access. Investments are included in other assets in the condensed consolidated balance sheets. For the six months ended June 30, 2011 and the year ended December 31, 2010, investments include an unrealized gain of \$0.1 million and \$1.0 million, respectively. We use the income approach as the valuation technique to measure the fair value of derivative instruments on a recurring basis. This approach calculates the present value of the future cash flow by measuring the change from the derivative contract rate and the published market indicative currency and interest rates, multiplied by the contract notional values, and includes a factor of credit risk.

The carrying amounts of cash and cash equivalents, trade receivables and accounts payable, as well as amounts included in other current assets and other current liabilities that meet the definition of financial instruments, approximate fair values because of their short-term maturities.

The carrying values and the estimated fair values of our debt financial instruments are summarized in the table below:

(In millions)	As of June 30, 2011		As of December 31, 2010	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
6.66% senior unsecured notes due July 31, 2015	\$75.0	\$ 85.4	\$75.0	\$ 84.8
Revolving credit facility, due 2013	69.2	69.2	68.7	68.7
4.5% Brazilian Real loan due December 31, 2012	2.5	2.3	3.2	2.8
Other	0.8	0.8	0.2	0.2

There is no active or observable market for our senior unsecured notes or our Brazilian Real loan. Therefore, the estimated fair values of the notes and the loan are based on discounted cash flows using current interest rates available

for debt with similar terms and remaining maturities. The estimates of the all-in interest rates for discounting the notes and the loan are based on a broker quote for notes and a loan with similar terms. We do not have a rate adjustment for risk profile changes, covenant issues or credit rating changes, therefore the broker quote is deemed to be the closest approximation of current market rates. The carrying value of the remaining borrowings approximates their fair value due to their variable interest rates.

Note 9: Commitments and Contingencies

We are involved in legal proceedings arising in the ordinary course of business. Although the results of litigation cannot be predicted with certainty, we do not believe that the resolution of the proceedings that we are involved in, either individually or taken as a whole, will have a material adverse effect on our business, results of operations or financial condition.

In connection with our spin-off from FMC Technologies, Inc. in 2008, we entered into a separation and distribution agreement with FMC Technologies, Inc. (the "Separation and Distribution Agreement"). Under the Separation and Distribution Agreement, we have assumed liabilities related to specified legal proceedings arising from our business prior to the spin-off. As a result, although FMC Technologies, Inc. will in many cases remain the named defendant, we will manage the litigation and indemnify FMC Technologies, Inc. for costs, expenses and judgments arising from this existing litigation. We do not believe that any existing litigation we have assumed will have a material effect on our business, results of operations or financial condition.

Guarantees and Product Warranties—In the ordinary course of business with customers, vendors and others, we issue standby letters of credit, performance bonds, surety bonds and other guarantees. These financial instruments, which totaled approximately \$100.4 million at June 30, 2011, represent guarantees of our future performance. We also have provided approximately \$6.8 million of bank guarantees and letters of credit to secure a portion of our existing financial obligations. The majority of these financial instruments expire within two years; we expect to replace them through the issuance of new or the extension of existing letters of credit and surety bonds. In some instances we guarantee a small portion of our customers' financing arrangements and retain recourse to the equipment sold. As of June 30, 2011, the maximum future payment obligation of such guarantees was \$1.2 million and the associated liability balance was \$0.2 million. Historically, we have not made significant payments associated with guarantees of our customers' financing arrangements.

We provide warranties of various lengths and terms to certain of our customers based on standard terms and conditions and negotiated agreements. We provide for the estimated cost of warranties at the time revenue is recognized for products where reliable, historical experience of warranty claims and costs exists. We also provide warranty liability when additional specific obligations are identified. The obligation reflected in other current liabilities in the condensed consolidated balance sheets is based on historical experience by product and considers failure rates and the related costs in correcting a product failure. Warranty cost and accrual information is as follows:

(In millions)	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2011	2010	2011	2010
Balance at beginning of period	\$8.1	\$6.4	\$8.0	\$7.3
Expense for new warranties	2.2	2.0	4.0	3.0
Adjustments to existing accruals	(0.2)	(0.2)	-	(0.2)
Claims paid	(2.2)	(1.3)	(4.1)	(3.2)
Balance at end of period	\$7.9	\$6.9	\$7.9	\$6.9

Note 10: Business Segment Information

Segment operating profit is defined as total segment revenue less segment operating expenses. The following items have been excluded in computing segment operating profit: corporate staff expense, foreign currency related gains and losses, LIFO provisions, certain employee benefit expenses, restructuring costs, interest income and expense and income taxes.

(In millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Revenue				
JBT FoodTech	\$154.3	\$135.6	\$261.2	\$237.1
JBT AeroTech	97.2	72.0	189.7	139.4
Other revenue (1) and intercompany eliminations	1.0	0.7	3.1	0.8
Total revenue	\$252.5	\$208.3	\$454.0	\$377.3
Income before income taxes				
Segment operating profit:				
JBT FoodTech	\$14.0	\$15.2	\$19.7	\$23.8
JBT AeroTech	7.6	3.9	15.3	8.7
Total segment operating profit	21.6	19.1	35.0	32.5
Corporate items:				
Corporate expense (2)	(3.8)	(4.0)	(7.8)	(7.7)
Other expense, net (1)	(0.4)	(0.7)	(0.5)	(2.5)
Net interest expense	(1.7)	(2.0)	(3.4)	(3.9)
Total corporate items	(5.9)	(6.7)	(11.7)	(14.1)
Income from continuing operations before income taxes	\$15.7	\$12.4	\$23.3	\$18.4

(1) Other revenue comprises certain gains and losses related to foreign exchange exposure. Other expense, net, generally includes stock-based compensation, other employee benefits, LIFO adjustments, restructuring costs, foreign exchange gains and losses, and the impact of unusual or strategic transactions not representative of segment operations. Restructuring costs included in other expense, net were:

(in millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
JBT FoodTech	\$ 0.2	\$ -	\$ 1.2	\$ 0.9
JBT AeroTech	-	-	-	-
Total	\$ 0.2	\$ -	\$ 1.2	\$ 0.9

(2) Corporate expense primarily includes corporate staff expenses.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Form 10-Q, our Annual Report on Form 10-K and other materials filed or to be filed by us with the Securities and Exchange Commission, as well as information in oral statements or other written statements made or to be made by us, contain statements that are, or may be considered to be, forward-looking statements. All statements that are not historical facts, including statements about our beliefs or expectations, are forward-looking statements. You can identify these forward-looking statements by the use of forward-looking words such as "outlook," "believes," "expects," "potential," "continues," "may," "will," "should," "seeks," "approximately," "predicts," "intends," "plans," "estimates," "anticipates," or the negative version of those words or other comparable words and phrases. Any forward-looking statements contained in this Form 10-Q are based upon our historical performance and on current plans, estimates and expectations. The inclusion of this forward-looking information should not be regarded as a representation by us or any other person that the future plans, estimates or expectations contemplated by us will be achieved.

We believe that the factors that could cause our actual results to differ materially include but are not limited to the factors we described in our Form 10-K for the year ended December 31, 2010, including under "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations." If one or more of those or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may vary materially from what we projected. Consequently, actual events and results may vary significantly from those included in or contemplated or implied by our forward-looking statements. The forward-looking statements included in this Form 10-Q are made only as of the date hereof, and we undertake no obligation to publicly update or review any forward-looking statement made by us or on our behalf, whether as a result of new information, future developments, subsequent events or circumstances or otherwise.

EXECUTIVE OVERVIEW

We are a global technology solutions provider for the food processing and air transportation industries. We design, manufacture, test and service technologically sophisticated systems and products for customers through our JBT FoodTech and JBT AeroTech segments.

JBT FoodTech markets its solutions and services to multi-national and regional industrial food processing companies. The product offerings of our JBT FoodTech businesses include:

- freezer solutions for the freezing and chilling of meat, seafood, poultry, dairy, ready-to-eat meals, fruits, vegetables and bakery products;
- protein processing solutions that portion, coat and cook poultry, meat, seafood, vegetable and bakery products;
- in-container processing solutions for fruits, vegetables, soups, sauces, dairy and pet food products as well as ready-to-eat meals in a wide variety of modern packages; and
- fruit processing solutions that extract, concentrate and aseptically process citrus, tomato and other fruits.

JBT AeroTech markets its solutions and services to domestic and international airport authorities, passenger airlines, air freight and ground handling companies, the United States and certain international defense departments and the material handling industry. The product offerings of our JBT AeroTech businesses include:

ground support equipment for cargo loading,
aircraft deicing and aircraft towing;
gate equipment for passenger boarding, on the ground aircraft power
and cooling;
airport services for maintenance of airport equipment, systems and facilities;
military equipment for cargo loading, aircraft towing and on the ground aircraft cooling; and
automated guided vehicles for material handling in the automotive, printing, warehouse, and hospital
industries.

We have established a large installed base of food processing equipment as well as airport equipment and have built a strong global presence with manufacturing, sourcing, sales and service organizations located on six continents to support our equipment that has been delivered to more than 100 countries.

We have developed close working relationships with our customers, which we believe enhances our competitive advantage, strengthens our market positions and improves our results. We serve customers from around the world. A significant portion of our total sales are typically to locations outside of the United States. We evaluate international markets and pursue opportunities that fit our technological capabilities and strategies.

The food processing and air transportation industries in which we operate are susceptible to significant changes in the strength of the global or regional economies and the economic health of companies who make capital commitments for our products and services. We focus on economic and industry-specific drivers and key risk factors affecting each of our businesses as we formulate our strategic plans and make decisions related to allocating capital and human resources. These factors include risks associated with the global economic outlook, product obsolescence, and the competitive environment.

As we evaluate our operating results, we consider performance indicators like segment revenue and operating profit in addition to the level of inbound orders and order backlog.

CONSOLIDATED RESULTS OF OPERATIONS

THREE MONTHS ENDED JUNE 30, 2011 AND 2010

(In millions, except %)	Three Months Ended		Favorable / (Unfavorable)	
	2011	2010	\$	%
Revenue	\$ 252.5	\$ 208.3	\$ 44.2	21.2 %
Cost of sales	192.7	153.9	(38.8)	(25.2)
Gross profit	59.8	54.4	5.4	9.9
Selling, general and administrative expense	37.8	35.4	(2.4)	(6.8)
Research and development expense	4.9	4.3	(0.6)	(14.0)
Other (income) expense, net	(0.3)	0.3	0.6	*
Operating income	17.4	14.4	3.0	20.8
Net interest expense	(1.7)	(2.0)	0.3	15.0
Income from continuing operations before income taxes	15.7	12.4	3.3	26.6
Provision for income taxes	5.3	4.2	(1.1)	(26.2)
Income from continuing operations	10.4	8.2	2.2	26.8
Loss from discontinued operations, net of taxes	(0.1)	(0.1)	-	-
Net income	\$ 10.3	\$ 8.1	\$ 2.2	27.2 %

* Not meaningful

Total revenue increased by \$44.2 million in the second quarter of 2011 compared to the same period in 2010. The increase in revenue was driven by \$22.0 million of higher product sales in the JBT AeroTech segment, \$5.6 million of higher aftermarket parts and services sales in the JBT FoodTech segment and \$13.6 million of higher revenue due to a favorable impact of foreign currency translation.

Gross profit increased by \$5.4 million in the second quarter of 2011 compared to the same period in 2010. The increase in gross profit was driven by higher sales volume, which resulted in an increase in gross profit of \$8.0 million. This increase was partially offset by \$6.2 million of lower profit due to lower gross profit margin, which resulted from the strengthening of the Swedish Krona and an unfavorable mix of products sold as compared to the same period in the prior year. The remaining difference was due to a favorable impact of foreign currency translation.

Operating income increased by \$3.0 million in the second quarter of 2011 compared to the same period in 2010 while operating income margin remained relatively unchanged. The increase in operating income was driven by higher sales volume. Selling, general and administrative expenses increased by \$2.4 million, but by only \$0.5 million in constant

currencies, and decreased as a percentage of revenue from 17.0% to 15.0%. Research and development expense increased by \$0.6 million primarily due to expenditures on developing new gate equipment products.

Net interest expense was \$0.3 million lower in the second quarter of 2011 compared to the same period in 2010 primarily as a result of a lower overall interest rate on our variable rate debt. During 2010, we had an interest rate swap that fixed the interest rate on \$25 million of borrowings under our credit facility at 4.9%. We currently do not hold any interest rate swaps.

Income tax expense in the second quarter of 2011 reflects an effective income tax rate for the full year of 34.9% compared to 34.3% in the same period in 2010. The difference in the rate was primarily attributable to higher anticipated earnings in higher tax jurisdictions relative to the prior year.

**OPERATING RESULTS OF BUSINESS SEGMENTS
THREE MONTHS ENDED JUNE 30, 2011 AND 2010**

(In millions, except %)	Three Months Ended		Favorable / (Unfavorable) %		
	June 30, 2011	2010			\$
Revenue					
JBT FoodTech	\$154.3	\$135.6	\$18.7	13.8	%
JBT AeroTech	97.2	72.0	25.2	35.0	
Other revenue and intercompany eliminations	1.0	0.7	0.3	42.9	
Total revenue	\$252.5	\$208.3	\$44.2	21.2	%
Income before income taxes					
Segment operating profit:					
JBT FoodTech	\$14.0	\$15.2	\$(1.2)	(7.9)	%
JBT AeroTech	7.6	3.9	3.7	94.9	
Total segment operating profit	21.6	19.1	2.5	13.1	
Corporate items:					
Corporate expense	(3.8)	(4.0)	0.2	5.0	
Other expense, net	(0.4)	(0.7)	0.3	42.9	
Net interest expense	(1.7)	(2.0)	0.3	15.0	
Total corporate items	(5.9)	(6.7)	0.8	11.9	
Income from continuing operations before income taxes	\$15.7	\$12.4	\$3.3	26.6	%

Segment operating profit is defined as total segment revenue less segment operating expenses. The following items have been excluded in computing segment operating profit: corporate staff expense, foreign currency related gains and losses, LIFO provisions, restructuring costs, certain employee benefit expenses, interest income and expense and income taxes. Restructuring costs included in other expense, net were:

(in millions)	Three Months Ended	
	2011	2010
JBT FoodTech	\$ 0.2	\$ -
JBT AeroTech	-	-
Total	\$ 0.2	\$ -

JBT FoodTech

JBT FoodTech's revenue increased by \$18.7 million in the second quarter of 2011 compared to the same period in 2010. Revenue from tomato and fruit processing products increased by \$10.9 million due to shipments of several large orders but was offset by lower sales of freezing and chilling products and protein processing products due to the soft demand in the North American market. Additionally, higher sales of aftermarket parts and services and a favorable impact of foreign currency translation resulted in higher revenue of \$5.6 million and \$12.7 million, respectively.

JBT FoodTech's operating profit decreased by \$1.2 million in the second quarter of 2011 compared to the same period in 2010. Operating profit margin decreased from 11.2% to 9.1% as a result of lower gross profit margin. Excluding the favorable impact of foreign currency translation, operating profit decreased by \$2.7 million. Higher sales volume resulted in \$1.7 million of higher operating profit but was more than offset by a decrease in gross profit margin. Gross profit margin declined due to the strengthening of the Swedish Krona and lower margins on large orders, resulting in \$4.4 million of lower operating profit. We have historically exported the majority of our freezing and chilling products out of Sweden. However, we are expanding our production capabilities in the U.S. and China to shorten production lead times for sales in these regions and to help mitigate risk from currency fluctuations.

JBT AeroTech

JBT AeroTech's revenue increased by \$25.2 million in the second quarter of 2011 compared to the same period in 2010 as a result of improved market conditions and the conversion of the strong year-end 2010 order backlog into revenue. Revenue from gate equipment products, automated guided systems and ground support equipment products increased by \$9.7 million, \$7.3 million and \$3.4 million, respectively.

JBT AeroTech's operating profit increased by \$3.7 million in the second quarter of 2011 compared to the same period in 2010. Operating profit margin increased from 5.4% to 7.8% as a result of better leverage of fixed costs. Gross profit increased by \$4.5 million primarily due to higher sales volume. The remaining difference was primarily due to \$0.3 million of higher selling costs driven by higher sales and \$0.3 million of higher development costs related to new gate equipment products.

Corporate Items

Corporate items decreased by \$0.8 million in the second quarter of 2011 compared to the same period in 2010. The decrease was driven by lower stock-based compensation expense, reflecting a lower level of grants issued in years after the spin-off from FMC Technologies, Inc., and lower interest expense.

CONSOLIDATED RESULTS OF OPERATIONS
SIX MONTHS ENDED JUNE 30, 2011 AND 2010

(In millions, except %)	Six Months Ended		Favorable / (Unfavorable)		
	2011	2010			
Revenue	\$454.0	\$377.3	\$76.7	20.3	%
Cost of sales	343.0	276.0	(67.0)	(24.3))
Gross profit	111.0	101.3	9.7	9.6)
Selling, general and administrative expense	75.5	70.6	(4.9)	(6.9))
Research and development expense	9.8	8.6	(1.2)	(14.0))
Other (income) expense, net	(1.0)	(0.2)	0.8	*)
Operating income	26.7	22.3	4.4	19.7)
Net interest expense	(3.4)	(3.9)	0.5	12.8)
Income from continuing operations before income taxes	23.3	18.4	4.9	26.6)
Provision for income taxes	8.0	6.3	(1.7)	(27.0))
Income from continuing operations	15.3	12.1	\$3.2	26.4)
Loss from discontinued operations, net of taxes	(0.1)	-	(0.1)	(100.0))
Net income	\$15.2	\$12.1	\$3.1	25.6	%

* Not meaningful

Total revenue increased by \$76.7 million in the six months ended June 30, 2011 compared to the same period in 2010. The increase in revenue was driven by \$46.0 million of higher product sales primarily in the JBT AeroTech segment, \$8.7 million of higher aftermarket parts and services sales and \$18.7 million of higher revenue due to a favorable impact of foreign currency translation.

Gross profit increased by \$9.7 million in the six months ended June 30, 2011 compared to the same period in 2010. The increase in gross profit was driven by higher sales volume, which resulted in an increase in gross profit of \$15.6 million. This increase was partially offset by \$10.8 million of lower profit due to lower gross profit margin, which resulted from the strengthening of the Swedish Krona and an unfavorable mix of products sold as compared to the same period in the prior year. The remaining difference was due to a favorable impact of foreign currency translation.

Operating income increased by \$4.4 million in the six months ended June 30, 2011 compared to the same period in 2010 while operating income margins remained relatively unchanged. The increase in operating income was driven by higher sales volume. Selling, general and administrative expenses increased by \$4.9 million, but by only \$2.3 million in constant currencies, and decreased as a percentage of revenue from 18.7% to 16.6%. Research and development expense increased by \$1.2 million primarily due to expenditures on developing new gate equipment products.

Net interest expense was \$0.5 million lower in the six months ended June 30, 2011 compared to the same period in 2010 primarily as a result of a lower overall interest rate on our variable rate debt. During the periods prior to January 30, 2011, we had an interest rate swap that fixed the interest rate on \$25 million of borrowings under our credit facility at 4.9%. We currently do not hold any interest rate swaps.

Income tax expense in the six months ended June 30, 2011 reflects an effective income tax rate for the full year of 34.9% compared to 34.3% in the same period in 2010. The difference in the rate was primarily attributable to higher anticipated earnings in higher tax jurisdictions relative to the prior year.

**OPERATING RESULTS OF BUSINESS SEGMENTS
SIX MONTHS ENDED JUNE 30, 2011 AND 2010**

(In millions, except %)	Six Months Ended		Favorable / (Unfavorable)		
	June 30, 2011	2010			
Revenue					
JBT FoodTech	\$ 261.2	\$ 237.1	\$ 24.1	10.2	%
JBT AeroTech	189.7	139.4	50.3	36.1	
Other revenue and intercompany eliminations	3.1	0.8	2.3	*	
Total revenue	\$ 454.0	\$ 377.3	\$ 76.7	20.3	%
Income before income taxes					
Segment operating profit:					
JBT FoodTech	\$ 19.7	\$ 23.8	\$ (4.1)	(17.2)	%
JBT AeroTech	15.3	8.7	6.6	75.9	
Total segment operating profit	35.0	32.5	2.5	7.7	
Corporate items:					
Corporate expense	(7.8)	(7.7)	(0.1)	(1.3)	
Other expense, net	(0.5)	(2.5)	2.0	80.0	
Net interest expense	(3.4)	(3.9)	0.5	12.8	
Total corporate items	(11.7)	(14.1)	2.4	17.0	
Income before income taxes	\$ 23.3	\$ 18.4	\$ 4.9	26.6	%

* Not meaningful

Restructuring costs included in other expense, net were:

(in millions)	Six Months Ended	
	June 30, 2011	2010
JBT FoodTech	\$ 1.2	\$ 0.9
JBT AeroTech	-	-
Total	\$ 1.2	\$ 0.9

JBT FoodTech

JBT FoodTech's revenue increased by \$24.1 million in the six months ended June 30, 2011 compared to the same period in 2010. Revenue from tomato and fruit processing products increased by \$10.6 million due to shipments of several large orders but was mostly offset by \$10.2 million of lower sales of freezing and chilling products and protein

processing products due to the soft demand in the North American market. Additionally, higher sales of aftermarket parts and services and a favorable impact of foreign currency translation resulted in higher revenue of \$6.5 million and \$17.2 million, respectively.

JBT FoodTech's operating profit decreased by \$4.1 million in the six months ended June 30, 2011 compared to the same period in 2010. Operating profit margins decreased from 10.0% to 7.5% as a result of lower gross profit margin and higher selling costs. Excluding the favorable impact of foreign currency translation, operating profit decreased by \$6.0 million. Higher sales volume resulted in \$2.1 million of higher operating profit but was more than offset by a decrease in gross profit margin. Gross profit margin declined due to an unfavorable mix of products sold compared to the same period in the prior year and the strengthening of the Swedish Krona, resulting in \$6.8 million of lower operating profit. We have historically exported the majority of our freezing and chilling products out of Sweden. However, we are expanding our production capabilities in the U.S. and China to shorten production lead times for sales in these regions and to help mitigate risk from currency fluctuations. Additionally, selling costs increased by \$0.8 million due to higher sales and travel costs.

JBT AeroTech

JBT AeroTech's revenue increased by \$50.3 million in the six months ended June 30, 2011 compared to the same period in 2010 as a result of improved market conditions and the conversion of the strong year-end 2010 order backlog into revenue. Revenue from gate equipment products, ground support equipment products and automated systems increased by \$26.7 million, \$8.0 million and \$8.8 million, respectively.

JBT AeroTech's operating profit increased by \$6.6 million in the six months ended June 30, 2011 compared to the same period in 2010. Operating profit margins increased from 6.2% to 8.1% as a result of better leverage of fixed costs. Higher sales volume resulted in an increase in profit of \$10.5 million. Gross profit margin declined due to an unfavorable mix of products sold as compared to the same period in the prior year and lower gross profit margin earned on certain large contracts, which resulted in \$2.7 million of lower profit. The remaining difference was primarily due to \$0.5 million of higher selling costs driven by higher sales and \$0.6 million of higher development costs related to new gate equipment products.

Corporate Items

Corporate items decreased by \$2.4 million in the six months ended June 30, 2011 compared to the same period in 2010. The decrease was driven primarily by higher gains on foreign currency transactions.

Inbound Orders and Order Backlog

Inbound orders represent the estimated sales value of confirmed customer orders received during the reporting period.

(In millions)	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2011	2010	2011	2010
JBT FoodTech	\$155.0	\$126.8	\$288.8	\$255.0
JBT AeroTech	127.1	114.7	204.4	229.4
Other and intercompany eliminations	1.0	0.9	3.1	1.0
Total inbound orders	\$283.1	\$242.4	\$496.3	\$485.4

Order backlog is calculated as the estimated sales value of unfilled, confirmed customer orders at the reporting date.

(In millions)	December 31,		
	June 30, 2011	2010	June 30, 2010
JBT FoodTech	\$ 131.0	\$ 103.4	\$ 114.6
JBT AeroTech	198.1	183.4	204.7

Total order backlog	\$ 329.1	\$ 286.8	\$ 319.3
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As of June 30, 2011, JBT FoodTech's order backlog increased by \$27.6 million since year-end 2010. The increase in backlog was driven primarily by orders for our freezing and chilling products and protein processing products from customers in the poultry industry in all regions, which resulted in \$20.9 million of higher backlog, and by orders for our in-container processing equipment, which resulted in \$7.8 million of higher backlog. JBT FoodTech's order backlog increased by \$16.4 million since June 30, 2010 primarily due to the favorable impact of foreign currency translation.

As of June 30, 2011, JBT AeroTech's order backlog increased by \$14.7 million since December 31, 2010. The increase in backlog was driven primarily by orders for our ground support equipment products. JBT AeroTech's order backlog decreased by \$6.6 million since June 30, 2010. The decrease in backlog was driven by strong revenue results in our gate equipment product line, which resulted in \$25.5 million of lower backlog. However, improved market conditions have increased demand for our automated systems and ground support equipment products, which resulted in an increase in backlog of \$11.4 million and \$7.9 million, respectively.

Outlook

We expect the current level of order activity to continue throughout the year, reflecting improved market conditions for most of our product lines. However, we anticipate continued pressure on our margins. We project our 2011 diluted earnings per share to be in the range of \$1.35 to \$1.45.

LIQUIDITY AND CAPITAL RESOURCES

Our primary sources of liquidity are cash provided by operating activities and our credit facility. We believe cash flows from operations and credit facility will be sufficient to satisfy our future working capital, research and development activities, capital expenditures, pension contributions and other financing requirements. Our ability to generate positive cash flows from operations is dependent on general economic conditions, competitive pressures, and other business and risk factors.

Cash flows for the six months ended June 30, 2011 and 2010 were as follows:

(In millions)	Six Months Ended	
	June 30,	
	2011	2010
Cash provided by continuing operating activities	\$ 13.2	\$ 5.4
Cash required by investing activities	(11.6)	(5.8)
Cash required by financing activities	(7.3)	(5.1)
Cash required by discontinued operations	(0.3)	-
Effect of exchange rate changes on cash and cash equivalents	0.1	(0.3)
Decrease in cash and cash equivalents	\$ (5.9)	\$ (5.8)

Cash flows provided by operating activities during the six months ended June 30, 2011 were \$13.2 million, representing a \$7.8 million increase from the same period in 2010. The change in the cash flows is primarily attributable to changes in working capital. Sales in the fourth quarter of 2010 were significantly higher than in the same quarter in 2009, resulting in \$56.1 million of higher trade receivables. During the six months ended June 30, 2011, we collected a majority of these receivables.

Cash flows required by investing activities during the six months ended June 30, 2011 and 2010 were \$11.6 million and \$5.8 million, respectively, primarily consisting of amounts required to fund capital expenditures. Much of our spending supports the maintenance and upgrading of our installed base of leased equipment and operating facilities.

Cash flows required by financing activities during the six months ended June 30, 2011 and 2010 were \$7.3 million and \$5.1 million, respectively. Tax withheld on restricted stock granted in the year of our spin-off from FMC Technologies, Inc. and vested in 2011 was \$1.3 million higher in the six months ended June 30, 2011 compared to the same period in the prior year. Additionally, our net borrowings increased by \$0.2 million in the six months ended June 30, 2011 compared to an increase of \$1.0 million during the same period in 2010.

Financing Arrangements

We have a \$225 million revolving credit facility that expires on July 31, 2013. Borrowings under the credit facility bear interest, at our option, at LIBOR or an alternative base rate, which is the greater of JPMorgan Chase, N.A.'s Prime Rate or the Federal Funds Rate plus 50 basis points, plus a margin dependent on our leverage ratio. We are required to make periodic interest payments on the borrowed amounts and pay an annual facility fee ranging from 17.5 to 35 basis points, depending on our leverage ratio. As of June 30, 2011, we had \$69.2 million drawn on the credit facility, \$16.4 million in letters of credit issued under the credit facility and \$139.4 million of additional available funds.

We have \$75 million of 6.66% senior unsecured notes. The senior unsecured notes are due on July 31, 2015 and require us to make semiannual interest payments.

Our credit agreement and notes include restrictive covenants that, if not met, could lead to a renegotiation of our credit lines, a requirement to repay our borrowings and/or a significant increase in our cost of financing. At June 30, 2011, we were in compliance with all covenants of our credit agreement and notes as shown in the following table:

Debt Instrument / Covenant	Measurement	Result as of June 30, 2011
Revolving credit facility		
Interest coverage ratio (1)	Not less than 3.5	13.9
Leverage ratio (2)	Not greater than 3.0	1.5
Capital expenditures (3)	Not greater than \$33 million	\$10.7 million
Dividends paid	Not greater than \$20 million	\$4.4 million
6.66% senior unsecured notes		
Interest coverage ratio (1)	Not less than 2.75	13.9
Leverage ratio (2)	Not greater than 3.25	1.5

- (1) Interest coverage ratio is a comparison of the trailing twelve months Consolidated EBITDA, defined as net income plus interest expense plus income tax expense plus depreciation and amortization plus non-cash expenses and extraordinary, unusual and non-recurring items, to trailing twelve months interest expense.
- (2) Leverage ratio is a comparison of the total indebtedness, defined as total debt plus guarantees of indebtedness of others plus obligations under financial letters of credit issued against the credit facility, to the trailing twelve month Consolidated EBITDA, as defined above.
- (3) Capital expenditures are limited to \$30 million plus 50 percent of the unutilized amount from prior year.

We expect to remain in compliance with all restrictive covenants in the foreseeable future. However, there can be no assurance that continued or increased volatility in the global economic conditions will not impair our ability to meet our restrictive covenants, or the volatility in the capital and credit markets will not impair our ability to access these markets on terms acceptable to us or at all.

Outlook

We plan to meet our cash requirements in future periods with cash generated from operations and borrowings under our credit facilities. We estimate that we will contribute approximately \$11.5 million in the remainder of 2011 to our pension and other postretirement benefit plans, primarily reflecting discretionary contributions to our U.S. qualified pension plan. Additionally, we anticipate spending up to \$4 million in the second half of 2011 on construction of a new JBT FoodTech plant in Lakeland, Florida to replace our existing plant in the same area. We anticipate spending a total of \$16 million to \$19 million on the new facility and expect it to be operational by mid-2013.

We continue to evaluate acquisitions in the normal course of business which we expect to fund with cash generated from operations or borrowings under our credit facility.

CRITICAL ACCOUNTING ESTIMATES

Refer to our Annual Report on Form 10-K for the year ended December 31, 2010 for a discussion of our critical accounting estimates. During the six-month period ended June 30, 2011, there were no material changes in our judgments and assumptions associated with the development of our critical accounting estimates.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes in reported market risks from the information reported in our Annual Report on Form 10-K for the year ended December 31, 2010.

ITEM 4.

CONTROLS AND PROCEDURES

Under the direction of our principal executive officer and principal financial officer, we have evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of June 30, 2011. We have concluded that our disclosure controls and procedures were:

- i) effective in ensuring that information required to be disclosed is recorded, processed, summarized and reported within time periods specified in the SEC's rules and forms; and
- ii) effective in ensuring that information required to be disclosed is accumulated and communicated to management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

There were no changes in controls identified in the evaluation for the quarter ended June 30, 2011 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting, as defined in Rule 13a-15(f) under the Exchange Act.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors
John Bean Technologies Corporation:

We have reviewed the accompanying condensed consolidated balance sheet of John Bean Technologies Corporation and subsidiaries as of June 30, 2011, the related condensed consolidated statements of income for the three-month and six-month periods ended June 30, 2011 and 2010, and the related condensed consolidated statements of cash flows for the six month periods ended June 30, 2011 and 2010. These condensed consolidated financial statements are the responsibility of the Company's management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the condensed consolidated financial statements referred to above for them to be in conformity with U.S. generally accepted accounting principles.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of John Bean Technologies Corporation and subsidiaries as of December 31, 2010, and the related consolidated statements of income, cash flows and changes in stockholders' equity for the year then ended (not presented herein); and in our report dated March 3, 2011, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 2010, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

/s/ KPMG LLP

Chicago, Illinois
August 4, 2011

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

There have been no material legal proceedings identified or material developments in existing legal proceedings noted during the six-month period ended June 30, 2011.

ITEM 1A. RISK FACTORS

There have been no material changes in reported risk factors from the information reported in our Annual Report on Form 10-K for the year ended December 31, 2010.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

We had no unregistered sales of equity securities during the six-month period ended June 30, 2011.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

All exhibits as set forth on the Exhibit Index, which is incorporated herein by reference.

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.

John Bean Technologies Corporation
(Registrant)

/s/ Megan J. Donnelly
Megan J. Donnelly
Chief Accounting Officer, and
duly authorized officer

Date: August 4, 2011

EXHIBIT INDEX

Number in Exhibit Table	Description
15	Letter re: Unaudited interim financial information.
31.1	Certification of Chief Executive Officer Pursuant to Rule 13a-14(a) /15d-14(a).
31.2	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a) /15d-14(a).
32.1	Certification of Chief Executive Officer Pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer Pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101*	The following materials from John Bean Technologies Corporation's Quarterly Report on Form 10-Q for the quarter ended June 30, 2011, formatted in XBRL (eXtensible Business Reporting Language); (i) Condensed Consolidated Statements of Income, (ii) Condensed Consolidated Balance Sheets, (iii) Condensed Consolidated Statements of Cash Flows, and (iv) Notes to Condensed Consolidated Financial Statements.

*Pursuant to Rule 406T of Regulation S-T, the Interactive Data Files on Exhibit 101 hereto are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, are deemed not filed for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, and otherwise are not subject to liability under those sections.