

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

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): November 8, 2012

THERMON GROUP HOLDINGS, INC.

THERMON HOLDING CORP.

(Exact Name of Each Registrant as Specified in Its Respective Charter)

(State or Other Jurisdiction
of Incorporation)

Delaware
Delaware

(Commission
File Number)

001-35159
333-168915-05

(IRS Employer
Identification No.)

27-2228185
26-0249310

100 Thermon Drive
San Marcos, Texas 78666

(Address of principal executive offices) (zip code)

Registrants' telephone number, including area code: (512) 396-5801

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:

- 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(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02. Results of Operations and Financial Condition.

On November 8, 2012, Thermon Group Holdings, Inc. (“Thermon”) issued a press release announcing its consolidated financial results for the second quarter ended September 30, 2012. A copy of the press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

The information contained in, or incorporated into, this Item 2.02, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities under that Section, nor shall it be deemed incorporated by reference into any registration statement or other filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d)

Exhibits

Exhibit No.

Description of Exhibit

99.1

Press Release issued by Thermon on November 8, 2012.

SIGNATURES

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

Date: November 8, 2012

THERMON GROUP HOLDINGS, INC.
THERMON HOLDING CORP.

By: /s/ Jay Peterson
Jay Peterson
Chief Financial Officer

Exhibit Index

| <u>Exhibit No.</u> | <u>Description of Exhibit</u> |
|--------------------|--|
| 99.1 | Press Release issued by Thermon on November 8, 2012. |

Thermon Reports Second Quarter Results

Company Announces Revenue of \$67.4 million, Gross Margin of 48.5%, Record Earnings, Backlog Growth of 29% and Return on Equity of 38%

SAN MARCOS, Texas, November 8, 2012 -- Thermon Group Holdings, Inc. (NYSE:THR) ("Thermon" or the "Company") today announced consolidated financial results for the second quarter ended September 30, 2012. The Company posted second quarter revenue of \$67.4 million, record EPS of \$0.23 and record Adjusted EPS of \$0.26 which excludes expenses associated with our secondary offering of common stock and refinance of our corporate revolving line of credit.

Highlights for the quarter and comparisons versus the prior year quarter include:

- Revenue of \$67.4 million, approximately flat
- Gross margin percentage of 48.5% versus 47.0%
- Record Earnings with GAAP EPS of \$0.23 and Adjusted EPS of \$0.26 on a fully diluted basis
- Adjusted EBITDA as a percentage of revenue of 29.1% versus 24.5%
- Backlog at Q2 was \$112.9 million an increase of \$25.6 million or 29%
- Return on equity of 38% measured by annualized Q2 Adjusted EBITDA

"Thermon demonstrated another solid quarter in Q2. While revenue came in flat we delivered strong gross margin performance, increased earnings and continue to report a healthy backlog. Despite significant foreign currency headwinds Thermon also posted all time record earnings per share, thus continuing to demonstrate our strong operating leverage," said Rodney Bingham, President and Chief Executive Officer.

Q2 2013 revenue of \$67.4 million reflects a decrease of approximately 1% compared to revenue of \$68.0 million in Q2 2012. Foreign currency negatively impacted revenue by approximately \$3.3 million versus Q2 2012, primarily due to weakening of the Euro and the Canadian Dollar which were responsible for impacts of \$2.0 and \$0.7 million, respectively.

Gross margin percentage was 48.5% of revenue in Q2 2013 versus 47.0% in Q2 2012. The increase was due to margin improvement within Greenfield projects as well as within MRO/UE (maintenance, repair, overhaul/upgrade and expansion) business. Record Adjusted EBITDA excluding management fees was \$19.6 million, an increase of \$2.9 million or 17% from \$16.7 million generated in Q2 2012, reflecting continuation of our strong business model.

Q2 2013 net income of \$7.0 million reflected an improvement of \$3.2 million versus the net income of \$3.8 million in Q2 2012. Excluding transaction expenses the Company generated adjusted net income of \$8.2 million and \$0.26 per fully diluted common share in the current quarter. This performance reflects growth of \$0.07 per diluted share, versus Q2 2012, or 37%. Foreign currency headwinds reduced current earnings by \$0.01 per fully diluted share versus Q2 2012.

On a year to date basis the Company generated record revenue of \$134.6 million reflecting 2% growth versus revenue of \$132.6 million in fiscal 2012. Foreign currency negatively impacted revenue by approximately \$7.0 million versus the 2012 first half, an impact of approximately 5%. Similar to Q2, US Dollar strength versus the Euro and Canadian Dollar were the primary causes at \$4.1 and \$1.8 million, respectively. Gross margin percentage of 49.0% year to date 2013 compared to 48.2% in fiscal 2012. Adjusted EBITDA excluding management fees was \$37.9 million year to date, an increase of \$3.4 million or 10% versus fiscal 2012.

Net income year to date was \$13.6 million, a record \$0.43 per share, versus net loss of \$1.2 million in fiscal 2012. After excluding transaction expenses, the Company generated year to date record adjusted net income of \$15.5 million and \$0.49 per fully diluted common share in fiscal 2013 versus fiscal 2012 adjusted net income of \$12.0 million and \$0.38 per fully diluted common share, growth of 29%. Foreign currency headwinds reduced year to date earnings by \$0.02 per fully diluted share versus 2012.

Adjustments to GAAP net income in Q2 2012 and Q2 2013 are due to capital market transactions, primarily the effects of optional redemptions of long-term debt in fiscal 2012 and expenses associated with a refinancing of the Company's revolving line of credit and secondary offering of common stock in fiscal 2013. See the tables titled "Reconciliation of Net Income (Loss) to Adjusted EBITDA excluding management fees and Return on Equity" and "Reconciliation of Net Income (Loss) to Adjusted Net Income and EPS" for additional details.

Conference Call and Webcast Information

Thermon's senior management team, including Rodney Bingham, President and Chief Executive Officer, and Jay Peterson, Chief Financial Officer, will discuss Q2 2013 results during a conference call today at 10:00 a.m. (Central Standard Time), which will be simultaneously webcast on Thermon's Investor Relations website located at <http://ir.thermon.com>. Investment community professionals interested in participating in the question-and-answer session may access the call by dialing (877) 312-5421 from within the United States/Canada and (253) 237-1121 from outside of the United States/Canada. A replay of the webcast will be available on Thermon's Investor Relations website beginning two hours after the conclusion of the call.

About Thermon

Through its global network, Thermon provides highly engineered thermal solutions, known as heat tracing, for process industries, including energy, chemical processing and power generation. Thermon's products provide an external heat source to pipes, vessels and instruments for the purposes of freeze protection, temperature maintenance, environmental monitoring and surface snow and ice melting. Thermon is headquartered in San Marcos, Texas. For more information, please visit www.thermon.com.

Non-GAAP Financial Measures

Disclosure in this release to "Adjusted EPS," "Adjusted EBITDA excluding management fees," "Adjusted net income" and "Return on equity" which are "non-GAAP financial measures" as defined under the rules of the Securities and Exchange Commission (the "SEC"), are intended as supplemental measures of our financial performance that are not required by, or presented in accordance with, U.S. generally accepted accounting principles ("GAAP"). "Adjusted net income" and "Adjusted earnings per share (or EPS)" represents net income before certain transaction expenses and expenses related with debt redemptions, per fully-diluted common share. "Adjusted EBITDA excluding management fees" represents net income (loss) before interest expense (net of interest income), income tax expense, depreciation and amortization expense and other non-cash charges such as stock-based compensation expense, transaction expenses incurred in connection with the CHS Transactions and our initial public offering, and other transactions not associated with our ongoing operations, such as the loss on retirement of debt, as adjusted to further exclude management and termination fees paid to our private equity sponsors. "Return on equity" represents "Adjusted EBITDA excluding management fees" for the three month period ended September 30, 2012 that is multiplied times four to represent a full year's results, divided by the average of total shareholders' equity at September 30, 2012 and March 31, 2012. We believe that the average equity properly accounts for net income that occurred during the three months ended September 30, 2012.

We believe these non-GAAP financial measures are meaningful to our investors to enhance their understanding of our financial performance and are frequently used by securities analysts, investors and other interested parties to compare our performance with the performance of other companies that report Adjusted EPS, Adjusted EBITDA, Adjusted net income or Return on equity. Adjusted EPS, Adjusted EBITDA excluding management fees, Adjusted net income and Return on equity should be considered in addition to, not as substitutes for, income from operations, net income (loss), net income (loss) per share and other measures of financial performance reported in accordance with GAAP. Our calculation of Adjusted EPS, Adjusted EBITDA excluding management fees, Adjusted net income and Return on equity may not be comparable to similarly titled measures reported by other companies. For a description of how Adjusted EPS, Adjusted EBITDA excluding management fees, Adjusted net income and Return on equity are calculated from our net income (loss) and a reconciliation of our Adjusted EPS, Adjusted EBITDA excluding management fees, Adjusted net income and Return on equity to net income (loss) per share and net income, as applicable, see the sections of this release titled "Reconciliation of Net Income (Loss) to Adjusted EBITDA excluding management fees and Return on Equity" and "Reconciliation of Net Income (Loss) to Adjusted Net Income and EPS."

Forward-Looking Statements

This release may include forward-looking statements within the meaning of the U.S. federal securities laws in addition to historical information. These forward-looking statements include, without limitation, statements regarding our industry, business strategy, plans, goals and expectations concerning our market position, future operations, margins, profitability, capital expenditures, liquidity and capital resources and other financial and operating information. When used, the words "anticipate," "assume," "believe," "budget," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "will," "future" and similar terms and phrases are

intended to identify forward-looking statements in this release. Forward-looking statements reflect our current expectations regarding future events, results or outcomes. These expectations may or may not be realized. Some of these expectations may be based upon assumptions, data or judgments that prove to be incorrect. In addition, our business and operations involve numerous risks and uncertainties, many of which are beyond our control, which could result in our expectations not being realized or otherwise materially affect our financial condition, results of operations and cash flows.

Actual events, results and outcomes may differ materially from our expectations due to a variety of factors. Although it is not possible to identify all of these factors, they include, among others, (i) general economic conditions and cyclicalities in the markets we serve; (ii) future growth of energy and chemical processing capital investments; (iii) changes in relevant currency exchange rates; (iv) our ability to comply with the complex and dynamic system of laws and regulations applicable to international operations; (v) a material disruption at any of our manufacturing facilities; (vi) our dependence on subcontractors and suppliers; (vii) our ability to obtain standby letters of credit, bank guarantees or performance bonds required to bid on or secure certain customer contracts; (viii) competition from various other sources providing similar heat tracing products and services, or other alternative technologies, to customers; (ix) our ability to attract and retain qualified management and employees, particularly in our overseas markets; (x) our ability to continue to generate sufficient cash flow to satisfy our liquidity needs; (xi) the extent to which federal, state, local and foreign governmental regulation of energy, chemical processing and power generation products and services limits or prohibits the operation of our business; and (xii) other factors discussed in more detail under the caption "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended March 31, 2012, as filed with the Securities and Exchange Commission on June 8, 2012.

Our forward-looking statements are not guarantees of future performance, and actual results and future performance may differ materially from those suggested in any forward-looking statements. We do not intend to update these statements unless we are required to do so under applicable securities laws.

Thermon Group Holdings, Inc. and Subsidiaries
Condensed Consolidated Balance Sheet
(in Thousands)

| | September 30, 2012 | March 31, 2012 |
|--|-------------------------------|-----------------------|
| | <i>(Unaudited)</i> | |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 16,410 | \$ 21,468 |
| Accounts receivable, net of allowance for doubtful accounts of \$934 and \$1,434 as of Sept. 30, 2012 and March 31, 2012, respectively | 53,673 | 50,037 |
| Inventories, net | 41,574 | 38,453 |
| Costs and estimated earnings in excess of billings on uncompleted contracts | 2,164 | 1,996 |
| Income taxes receivable | 5,070 | 5,193 |
| Prepaid expenses and other current assets | 7,967 | 6,853 |
| Deferred income taxes | 3,266 | 3,664 |
| Total current assets | <u>130,124</u> | <u>127,664</u> |
| Property, plant and equipment, net | 29,190 | 27,661 |
| Goodwill | 117,935 | 118,007 |
| Intangible assets, net | 139,086 | 144,801 |
| Debt issuance costs, net | 4,542 | 7,446 |
| Total assets | <u>\$ 420,877</u> | <u>\$ 425,579</u> |
| Liabilities and shareholders' equity | | |
| Current liabilities: | | |
| Accounts payable | \$ 22,366 | \$ 15,728 |
| Accrued liabilities | 15,754 | 22,442 |
| Current portion of long term debt | — | 21,000 |
| Obligations due to settle the CHS Transactions | 3,391 | 3,528 |
| Billings in excess of costs and estimated earnings on uncompleted contracts | 1,594 | 2,446 |
| Income taxes payable | 1,951 | 1,374 |
| Total current liabilities | <u>45,056</u> | <u>66,518</u> |
| Long-term debt, net of current maturities | 118,145 | 118,145 |
| Deferred income taxes | 42,937 | 45,999 |
| Other noncurrent liabilities | 2,477 | 2,437 |
| Total liabilities | <u>208,615</u> | <u>233,099</u> |
| Common Stock | 31 | 30 |
| Additional paid in capital | 198,228 | 191,998 |
| Foreign currency translation adjustment | 3,326 | 3,362 |
| Retained earnings accumulated deficit | 10,677 | (2,910) |
| Total shareholders' equity | <u>212,262</u> | <u>192,480</u> |
| Total liabilities and shareholders' equity | <u>\$ 420,877</u> | <u>\$ 425,579</u> |

Thermon Group Holdings, Inc. and Subsidiaries
Condensed Consolidated Statement of Operations
(Unaudited, in Thousands except per share amounts)

| | Three Months Ended Sept. 30, 2012 | Three Months Ended Sept. 30, 2011 | Six Months Ended Sept 30, 2012 | Six Months Ended Sept. 30, 2011 |
|---|--|--|---|--|
| Sales | \$ 67,358 | \$ 68,023 | \$ 134,571 | \$ 132,641 |
| Cost of sales | 34,719 | 36,072 | 68,593 | 68,701 |
| Gross profit | 32,639 | 31,951 | 65,978 | 63,940 |
| Operating expenses: | | | | |
| Marketing, general and administrative and engineering | 14,158 | 14,615 | 30,115 | 29,785 |
| Stock compensation expense | 336 | 57 | 394 | 6,398 |
| Management fees (a) | — | 15 | — | 8,120 |
| Amortization of other intangible assets | 2,798 | 2,878 | 5,592 | 5,763 |
| Income from operations | 15,347 | 14,386 | 29,877 | 13,874 |
| Interest expense, net | (2,939) | (3,505) | (6,099) | (7,890) |
| Acceleration of unamortized debt cost | (1,447) | (1,051) | (2,318) | (2,922) |
| Debt cost amortization | (277) | (398) | (586) | (841) |
| Loss on retirement of debt | — | (2,336) | — | (2,966) |
| Interest expense, net | (4,663) | (7,290) | (9,003) | (14,619) |
| Other income (expense) | 93 | (1,173) | 137 | (1,187) |
| Income (loss) before provision for taxes | 10,777 | 5,923 | 21,011 | (1,932) |
| Income tax expense (benefit) | 3,790 | 2,109 | 7,424 | (780) |
| Net income (loss) | \$ 6,987 | \$ 3,814 | \$ 13,587 | \$ (1,152) |
| Net income (loss) per common share | | | | |
| Basic income (loss) per share | \$ 0.23 | \$ 0.13 | \$ 0.44 | \$ (0.04) |
| Diluted income (loss) per share | \$ 0.22 | \$ 0.12 | \$ 0.43 | \$ (0.04) |
| Weighted-average shares used in computing net income (loss) per common share: | | | | |
| Basic common shares | 30,726 | 29,524 | 30,535 | 28,641 |
| Fully-diluted common shares | 31,641 | 31,262 | 31,419 | 28,641 |

(a) Management fees for the six month period ended September 30, 2011 includes \$7.8 million in termination fees paid to our private equity sponsors at the completion of the IPO in Q1 2012. The fees were paid in settlement of the remaining term of the management services agreement that was in place prior to the IPO.

Thermon Group Holdings, Inc. and Subsidiaries

Reconciliation of Net Income (Loss) to Adjusted EBITDA excluding management fees and Return on Equity
(Unaudited, in Thousands)

| | Three Months Ended Sept. 30, 2012 | Three Months Ended Sept. 30, 2011 | Six Months Ended Sept. 30, 2012 | Six Months Ended Sept. 30, 2011 |
|---|--|--|--|--|
| Adjusted EBITDA excluding management fees and Return on Equity | | | | |
| Net income (loss) | \$ 6,987 | \$ 3,814 | \$ 13,587 | \$ (1,152) |
| Interest expense, net | 4,663 | 7,290 | 9,003 | 14,619 |
| Income tax expense (benefit) | 3,790 | 2,109 | 7,424 | (780) |
| Depreciation and amortization expense | 3,439 | 3,392 | 6,856 | 7,338 |
| EBITDA-non-GAAP basis | \$ 18,879 | \$ 16,605 | \$ 36,870 | \$ 20,025 |
| Stock compensation expense | 336 | 57 | 394 | 6,398 |
| Refinance revolving line of credit expense included in operating expense | 94 | — | 94 | — |
| Fiscal 2013 Shelf Registration and secondary offering expenses | 263 | — | 536 | — |
| Adjusted EBITDA-non-GAAP basis | \$ 19,572 | \$ 16,662 | \$ 37,894 | \$ 26,423 |
| Termination of management fee agreement with private equity sponsor | — | — | — | 8,105 |
| Adjusted EBITDA excluding management fees - non- GAAP basis | \$ 19,572 | \$ 16,662 | \$ 37,894 | \$ 34,528 |

Adjusted EBITDA Q2 - Annualized for a full fiscal
year

\$ 78,288

Average total shareholders' equity for the three
month period ended September 30, 2012

\$ 204,554

Return on Equity - non-GAAP basis

38%

Thermon Group Holdings, Inc. and Subsidiaries
Reconciliation of Net Income (Loss) to Adjusted Net Income and EPS
(Unaudited, in Thousands except per share amounts)

| Adjusted Net Income and EPS | Three Months Ended | | Six Months Ended | | Adjustment to: |
|--|---------------------------|------------------|-------------------------|------------------|----------------------------------|
| | Sept. 30, | Sept. 30, | Sept. 30, | Sept. 30, | |
| | 2012 | 2011 | 2012 | 2011 | |
| GAAP Net income (loss) | \$ 6,987 | \$ 3,814 | \$ 13,587 | \$ (1,152) | |
| Acceleration of stock compensation in connection with the IPO | — | — | — | 6,341 | Operating expense |
| Management fees which terminated at the IPO | — | — | — | 8,105 | Operating expense |
| Fiscal 2013 Shelf Registration and secondary offering expenses | 263 | — | 536 | — | Operating expense |
| Refinance revolving line of credit expense - operating expense | 94 | — | 94 | — | Operating expense |
| Premium paid on redemption of long term debt | — | 2,336 | — | 2,966 | Loss on retirement of debt |
| Acceleration of unamortized debt costs - optional bond redemptions | — | 1,051 | 871 | 2,922 | Loss on retirement of debt |
| Acceleration of unamortized debt cost - refinance revolving line of credit | 1,447 | — | 1,447 | — | Acceleration of unamortized debt |
| Tax effect of financial adjustments | \$ (634) | \$ (1,205) | \$ (1,042) | \$ (7,187) | Income tax expense (benefit) |
| Adjusted Net Income - non-GAAP basis | \$ 8,157 | \$ 5,996 | \$ 15,493 | \$ 11,995 | |
| Adjusted fully-diluted earnings per common share - non-GAAP basis | \$ 0.26 | \$ 0.19 | \$ 0.49 | \$ 0.38 | |
| Fully-diluted common shares | 31,641 | 31,262 | 31,419 | 31,262 | |