Evogene Ltd.
Form SC 13G/A
February 12, 2019

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No.1)*

Evogene Ltd.

(Name of Issuer)

Common Stock

(Title of Class of Securities)

M4119S104

(CUSIP Number)

December 31, 2018

(Date Of Event which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

[x] Rule 13d-1(b)

[ ] Rule 13d-1(c)

[ ] Rule 13d-1(d)

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1745 (3-06)

1. NAME OF REPORTING PERSON:
   I.R.S. IDENTIFICATION NO. OF ABOVE PERSON:

   Morgan Stanley
   I.R.S. # 36-3145972

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:

   (a) [ ]

   (b) [ ]

3. SEC USE ONLY:

4. CITIZENSHIP OR PLACE OF ORGANIZATION:

   Delaware.

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:	5.	SOLE VOTING POWER: 0
	6.	SHARED VOTING POWER: 984,675
	7.	SOLE DISPOSITIVE POWER: 0
	8.	SHARED DISPOSITIVE POWER: 1,004,675

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON:
   1,004,675

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES:
    [ ]

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (9):
    3.9%

12. TYPE OF REPORTING PERSON:
    HC, CO

Item 1. (a) Name of Issuer:

Evogene Ltd.

(b) Address of Issuer's Principal Executive Offices:

13 GAD FEINSTEIN STREET

PARK REHOVOT P.O.B 2100
REHOVOT L3 76121
ISRAEL

Item 2. (a) Name of Person Filing:

(1) Morgan Stanley

(b) Address of Principal Business Office, or if None, Residence:

(1) 1585 Broadway New York, NY 10036

(c) Citizenship:

(1) Delaware.

(d) Title of Class of Securities:

Common Stock

(e) CUSIP Number:

M4119S104

Item 3. If this statement is filed pursuant to Sections 240.13d-1(b) or 240.13d-2(b) or (c), check whether the person filing is a:

(a) [ ] Broker or dealer registered under Section 15 of the Act (15 U.S.C. 78o).

(b) [ ] Bank as defined in Section 3(a)(6) of the Act (15 U.S.C. 78c).

(c) [ ] Insurance company as defined in Section 3(a)(19) of the Act (15 U.S.C. 78c).

(d) [ ] Investment company registered under Section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).

(e) [ ] An investment adviser in accordance with Sections 240.13d-1(b)(1)(ii)(E);

(f) [ ] An employee benefit plan or endowment fund in accordance with Section 240.13d-1(b)(1)(ii)(F);

(g) [x] A parent holding company or control person in accordance with Section 240.13d-1(b)(1)(ii)(G);

(h) [ ] A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);

(i) [ ] A church plan that is excluded from the definition of an investment company under Section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);

(j) [ ] Group, in accordance with Section 240.13d-1(b)(1)(ii)(J).

Item 4. Ownership as of December 31, 2018.*

(a) Amount beneficially owned:
See the response(s) to Item 9 on the attached cover page(s).

(b) Percent of Class:
See the response(s) to Item 11 on the attached cover page(s).

(c) Number of shares as to which such person has:

(i) Sole power to vote or to direct the vote:
See the response(s) to Item 5 on the attached cover page(s).

(ii) Shared power to vote or to direct the vote:
See the response(s) to Item 6 on the attached cover page(s).

(iii) Sole power to dispose or to direct the disposition of:
See the response(s) to Item 7 on the attached cover page(s).

(iv) Shared power to dispose or to direct the disposition of:
See the response(s) to Item 8 on the attached cover page(s).

Item 5. Ownership of Five Percent or Less of a Class.

(1) As of the date hereof, Morgan Stanley has ceased to be the beneficial owner of more than five percent of the class of securities.

Item 6. Ownership of More Than Five Percent on Behalf of Another Person.

Not Applicable

Item 7. Identification and Classification of the Subsidiary which Acquired the Security Being Reported on By the Parent Holding Company.

Not Applicable

Item 8. Identification and Classification of Members of the Group.

Not Applicable

Item 9. Notice of Dissolution of Group.

Not Applicable

Item 10. Certification.

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

* In Accordance with the Securities and Exchange Commission Release No. 34-39538 (January 12, 1998) (the "Release"), this filing reflects the securities beneficially owned, or that may be deemed to be beneficially owned, by certain operating units (collectively, the "MS Reporting Units") of Morgan Stanley and its subsidiaries and affiliates (collectively, "MS"). This filing does not reflect securities, if any, beneficially owned by any operating units of MS whose ownership of securities is disaggregated from that of the MS

Reporting Units in accordance with the Release.

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Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 12, 2019

Signature: /s/ Claire Thomson

Name/Title: Claire Thomson/Authorized Signatory, Morgan Stanley

MORGAN STANLEY

amily:inherit;font-size:10pt;">$

64.6

Marine Instrumentation
115.6

96.0

Test and Measurement Instrumentation
43.4

—

Total
$
221.2

$
160.6

First Quarter
Engineered Systems

	2013	2012
Engineered Products and Services	$ 58.6	$ 57.2
Turbine Engines	6.0	6.9
Energy Systems	6.6	10.3
Total	$ 71.2	$ 74.4

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Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Teledyne Technologies Incorporated provides enabling technologies for industrial growth markets. We have evolved from a company that was primarily focused on aerospace and defense to one that serves multiple markets that require advanced technology and high reliability. These markets include deepwater oil and gas exploration and production, oceanographic research, air and water quality environmental monitoring, factory automation and medical imaging. Our products include monitoring instrumentation for marine and environmental applications, harsh environment interconnects, electronic test and measurement equipment, digital imaging sensors and cameras, aircraft information management systems, and defense electronic and satellite communication subsystems. We also supply engineered systems for defense, space, environmental and energy applications. We differentiate ourselves from many of our direct competitors by having a customer and company sponsored applied research center that augments our product development expertise.

Strategy/Overview

Our strategy continues to emphasize growth in our core markets of instrumentation, digital imaging, aerospace and defense electronics and engineered systems. Our core markets are characterized by high barriers to entry and include specialized products and services not likely to be commoditized. We intend to strengthen and expand our core businesses with targeted acquisitions and through product development. We aggressively pursue operational excellence to continually improve our margins and earnings. Operational excellence includes the rapid integration of the businesses we acquire. Using complementary technology across our businesses and internal research and development, we seek to create new products to grow our company and expand our addressable markets. We continue to evaluate our businesses to ensure that they are aligned with our strategy.

Our first quarter 2013 sales were $569.4 million, compared with sales of $494.0 million for the same period of 2012, an increase of 15.3%. Net income attributable to Teledyne of $40.4 million ($1.07 per diluted share) for the first quarter of 2013, compared with $35.7 million ($0.96 per diluted share) for the first quarter of 2012, an increase of 13.2%. We acquired RESON A/S (“RESON”) to complement marine instrumentation. We amended our revolving credit facility to increase the borrowing capacity to $750.0 million and extend the maturity date to March 1, 2018, to support our strategy.

Our Recent Acquisitions

On March 1, 2013, Teledyne acquired RESON for $69.7 million, net of cash acquired. RESON headquartered in Slangerup, Denmark, provides multibeam sonar systems and specialty acoustic sensors for hydrography, global marine infrastructure and offshore energy operations. RESON had sales of €50.8 million for its fiscal year ended December 31, 2012, and is part of the Instrumentation segment.

On February 25, 2012, Teledyne acquired VariSystems for $34.9 million, net of cash acquired. Teledyne paid a $1.4 million purchase price adjustment in the second quarter of 2012. VariSystems, headquartered in Calgary, Alberta, Canada, supplies custom harsh environment interconnects used in energy exploration and production. VariSystems is part of the Aerospace and Defense Electronics segment.

For our fiscal year 2012, we made four other acquisitions. We acquired a majority interest in the parent company of Optech Incorporated (“Optech”) in the second quarter, and LeCroy Corporation (“LeCroy”), the parent company of PDM Neptec Limited (“PDM Neptec”) and BlueView Technologies, Inc. (“BlueView”) in the third quarter.

Teledyne funded the purchases from borrowings under its credit facility and cash on hand.

For a further description of the Company’s acquisition activity for the fiscal year ended December 30, 2012, please refer to Note 3 of our 2012 Form 10-K (“2012 Form 10-K”).

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Results of Operations

	First Quarter	
(in millions)		2012
Net Sales	$569.4	$494.0
Costs and expenses		
Cost of sales	365.4	328.1
Selling, general and administrative expenses	145.1	110.4
Total costs and expenses	510.5	438.5
Income before other expense and income taxes	58.9	55.5
Other expense, net	(0.5)	(0.4)
Interest and debt expense, net	(5.4)	(4.0)
Income before income taxes	53.0	51.1
Provision for income taxes	13.2	15.5
Net income	39.8	35.6
Noncontrolling interest	0.6	0.1
Net income attributable to Teledyne	$40.4	$35.7

First quarter of 2013 compared with the first quarter of 2012

Our first quarter 2013 sales were $569.4 million, compared with sales of $494.0 million for the same period of 2012, an increase of 15.3%. Net income attributable to Teledyne was $40.4 million ($1.07 per diluted share) for the first quarter of 2013, compared with $35.7 million ($0.96 per diluted share) for the first quarter of 2012, an increase of 13.2%.

The first quarter of 2013, compared with the same period in 2012, reflected higher sales in each business segment except the Engineered Systems segment. The increase in sales included the impact of acquisitions as well as higher organic sales. Incremental revenue in the first quarter of 2013 from recent acquisitions was $65.0 million. The first quarter of 2013, compared with the same period in 2012, reflected higher operating profit in each business segment except the Aerospace and Defense Electronics segment.

Segment earnings increased to $68.4 million for the first quarter of 2013, from $65.0 million for the same period of 2012. Segment earnings reflected $0.4 million of acquisition related transaction costs, $0.9 million in additional intangible asset amortization, $1.7 million of severance and relocation costs associated with certain electronic manufacturing businesses and lower LIFO expense of $0.8 million. The incremental operating profit included in the results for the first quarter of 2013 from recent acquisitions was $0.6 million and included acquisition related transaction costs.

The first quarter of 2013 included pension expense of $4.3 million, compared with pension expense of $1.7 million in the first quarter of 2012. The increase in pension expense primarily reflected the impact of using a 4.4 percent discount rate to determine the benefit obligation for the domestic plan in 2013 compared with a 5.5 percent discount rate used in 2012. Pension expense allocated to contracts pursuant to U.S. Government Cost Accounting Standards ("CAS") was $3.6 million in the first quarter of 2013, compared with $3.2 million in the first quarter of 2012.

In the first quarter of 2013 and 2012, we recorded a total of $1.8 million and $1.5 million, respectively, in stock option compensation expense. Employee stock option grants are expensed evenly over the three year vesting period.

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The table below presents sales and cost of sales by segment and total company:

(Dollars in millions)	First Quarter 2013		First Quarter 2012	
Instrumentation				
Sales	$221.2		$160.6	
Cost of sales	$118.6		$94.6	
Cost of sales % of sales	53.6	%	58.9	%
Digital Imaging				
Sales	$102.4		$94.2	
Cost of sales	$67.1		$62.6	
Cost of sales % of sales	65.5	%	66.5	%
Aerospace and Defense Electronics				
Sales	$174.6		$164.8	
Cost of Sales	$120.5		$109.8	
Cost of sales % of sales	69.0	%	66.6	%
Engineered Systems				
Sales	$71.2		$74.4	
Costs of sales	$59.2		$61.1	
Cost of sales % of sales	83.1	%	82.1	%
Total Company				
Sales	$569.4		$494.0	
Costs of sales	$365.4		$328.1	
Cost of sales % of sales	64.2	%	66.4	%

Cost of sales increased by $37.3 million in the first quarter of 2013, compared with the first quarter of 2012, which primarily reflected the impact of higher sales. Cost of sales as a percentage of sales for the first quarter of 2013 decreased to 64.2% from 66.4% in the first quarter of 2012 and reflected the impact of the LeCroy acquisition which carries a lower cost of sales percentage than the average for our other businesses.

Certain contracts are accounted for under the percentage of completion (“POC”) method and related contract cost and revenue estimates for significant contracts are generally reviewed and reassessed quarterly. The aggregate effects of these changes in estimates on contracts accounted for under the POC accounting method, in the first quarter of 2013 and 2012, were $5.1 million and $0.7 million of favorable operating income and $6.2 million and $1.3 million of unfavorable operating income, respectively.

Selling, general and administrative expenses, including research and development and bid and proposal expense, increased by $34.7 million in the first quarter of 2013, compared with the first quarter of 2012, due to recent acquisitions which included $25.2 million at LeCroy, $0.4 million in acquisition related transaction costs and $0.9 million in higher acquired intangible asset amortization expense. Selling, general and administrative expenses for the first quarter of 2013, as a percentage of sales, increased to 25.5%, compared with 22.3% in the first quarter of 2012 and reflected the impact of acquisition related transaction costs, higher research and development expense and also reflected the impact of the LeCroy acquisition which carries a higher selling, general and administrative expense percentage than the average for our other businesses. Corporate expense was $9.5 million for the first quarter of 2013, compared with $9.5 million for the first quarter of 2012.

Interest expense, net of interest income, was $5.4 million in the first quarter of 2013, compared with $4.0 million for the first quarter of 2012. The increase in interest expense primarily reflected the impact of higher outstanding debt levels.

The income tax provision is calculated using an estimated annual effective tax rate, based upon estimates of annual income, permanent items, statutory tax rates and planned tax strategies in the various jurisdictions in which we operate except that certain loss jurisdictions and discrete items, such as the resolution of uncertain tax positions, are treated separately. The Company’s effective income tax rate for the first quarter of 2013 was 24.9% compared with 30.3% for the first quarter of 2012. The decrease in the effective tax rates in 2013 from 2012, reflected net tax benefits for discrete items of $2.7 million, compared to net tax benefits for discrete items of $1.1 million for the first quarter of 2012. The net tax benefits in 2013 primarily relate to the retroactive reinstatement of certain tax benefits and credits from the enactment of the American Taxpayer Relief Act of 2012 signed into law on January 2, 2013. Excluding the net tax benefits in both periods, the effective tax rates would have

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been 30.0% for the first quarter of 2013, compared with 32.5% for the first quarter of 2012. The Company's effective tax rate for 2013 is expected to be 30.0%, based on the projected mix of earnings before tax by jurisdiction, excluding the impact of any matters that would be treated as discrete.

Segment Results:

The following table sets forth the sales and operating profit for each segment (amounts in millions):

	First Quarter 2013	First Quarter 2012	% Change
Net sales:			
Instrumentation	$221.2	$160.6	37.7 %
Digital Imaging	102.4	94.2	8.7 %
Aerospace and Defense Electronics	174.6	164.8	5.9 %
Engineered Systems	71.2	74.4	(4.3)%
Total net sales	$569.4	$494.0	15.3 %
Segment operating profit:			
Instrumentation	$35.0	$31.6	10.8 %
Digital Imaging	5.2	4.3	20.9 %
Aerospace and Defense Electronics	21.8	22.9	(4.8)%
Engineered Systems	6.4	6.2	3.2 %
Total segment operating profit	68.4	65.0	5.2 %
Corporate expense	(9.5)	(9.5)	— %
Other expense, net	(0.5)	(0.4)	25.0 %
Interest expense, net	(5.4)	(4.0)	35.0 %
Income before income taxes	53.0	51.1	3.7 %
Provision for income taxes	13.2	15.5	(14.8)%
Net income	39.8	35.6	11.8 %
Noncontrolling interest	0.6	0.1	500.0 %
Net income attributable to Teledyne	$40.4	$35.7	13.2 %

Instrumentation

(Dollars in millions)	First Quarter 2013	First Quarter 2012
Sales	$221.2	$160.6
Cost of sales	$118.6	$94.6
Selling, general and administrative expenses	$67.6	$34.4
Operating profit	$35.0	$31.6
Cost of sales % of sales	53.6 %	58.9 %
Selling, general and administrative expenses % of sales	30.6 %	21.4 %
Operating profit % of sales	15.8 %	19.7 %

First quarter of 2013 compared with the first quarter of 2012

The Instrumentation segment’s first quarter 2013 sales were $221.2 million, compared with $160.6 million in the first quarter of 2012, an increase of 37.7%. First quarter 2013 operating profit was $35.0 million, compared with operating profit of $31.6 million in the first quarter of 2012, an increase of 10.8%.

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The first quarter 2013 sales increase resulted from higher sales of both marine and electronic test and measurement instrumentation, partially offset by lower sales of environmental instrumentation. The higher sales of $19.6 million for marine instrumentation products reflected increased sales of interconnect systems used in offshore energy production, as well as higher sales of marine acoustic sensors and autonomous underwater vehicles and also included a total of $11.2 million in revenue from recent acquisitions including the March 1, 2013 acquisition of RESON. Increased sales of $43.4 million for electronic test and measurement instrumentation resulted from the August 2012 acquisition of LeCroy. The decrease in sales of $2.4 million for environmental instrumentation primarily reflected lower sales of laboratory instruments, partially offset by increased sales of air monitoring instrumentation. The increase in operating profit reflected the impact of higher sales, partially offset by $1.3 million in additional intangible asset amortization, $0.4 million in acquisition related transaction costs and $0.2 million in inventory purchase accounting charges related to the recent acquisitions. The incremental operating profit included in the results for the first quarter of 2013 from recent acquisitions was $2.4 million.

First quarter cost of sales increased by $24.0 million, compared with the first quarter of 2012, and reflected the impact of higher sales and product mix differences. The decrease in the cost of sales percentage largely reflected the impact of the LeCroy acquisition which carries a lower cost of sales percentage than the average for our other businesses in this segment. First quarter selling, general and administrative expenses, including research and development and bid and proposal expense, in increased by $33.2 million, compared with the first quarter of 2012, and primarily reflected the impact acquisitions, primarily LeCroy. The LeCroy acquisition represented $25.2 million of the increase in selling, general and administrative expenses, and included $9.4 million in research and development expenses. The increase in the selling, general and administrative expense percentage to 30.6 percent in the first quarter of 2013 from 21.4 percent in the first quarter of 2012, largely reflected the impact of the LeCroy acquisition which carries a higher selling, general and administrative expense percentage than the average for our other businesses in this segment.

Digital Imaging

(Dollars in millions)	First Quarter 2013		First Quarter 2012	
Sales	$102.4		$94.2	
Cost of sales	$67.1		$62.6	
Selling, general and administrative expenses	$30.1		$27.3	
Operating profit	$5.2		$4.3	
Cost of sales % of sales	65.5	%	66.5	%
Selling, general and administrative expenses % of sales	29.4	%	29.0	%
Operating profit % of sales	5.1	%	4.6	%

First quarter of 2013 compared with the first quarter of 2012

The Digital Imaging segment's first quarter 2013 sales were $102.4 million, compared with $94.2 million in the first quarter of 2012, an increase of 8.7%. Operating profit was $5.2 million for the first quarter of 2013, compared with operating profit of $4.3 million in the first quarter of 2011, an increase of 20.9%.

The 2013 sales increase included $9.3 million in revenue from the April 2, 2012, acquisition of a majority interest in the parent company of Optech Incorporated ("Optech") and greater sales of medical imaging and infrared sensors, partially offset by decreased sales of imagers for remote sensing applications. Operating profit in 2013 reflected the impact of higher sales, partially offset by an operating loss of $1.4 million at Optech.

Cost of sales increased by $4.5 million, compared with the first quarter of 2013, and primarily reflected the impact of higher sales. The lower cost of sales percentage in 2013 reflected the results of the Optech acquisition, which carries a lower cost of sales percentage than the average for our other businesses in this segment.

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Aerospace and Defense Electronics

(Dollars in millions)	First Quarter 2013	First Quarter 2012
Sales	$174.6	$164.8
Cost of sales	$120.5	$109.8
Selling, general and administrative expenses	$32.3	$32.1
Operating profit	$21.8	$22.9
Cost of sales % of sales	69.0 %	66.6 %
Selling, general and administrative expenses % of sales	18.5 %	19.5 %
Operating profit % of sales	12.5 %	13.9 %

First quarter of 2013 compared with the first quarter of 2012

The Aerospace and Defense Electronics segment's first quarter 2013 sales were $174.6 million, compared with $164.8 million in the first quarter of 2012, an increase of 5.9%. Operating profit was $21.8 million for the first quarter of 2013, compared with operating profit of $22.9 million in the first quarter of 2012, a decrease of 4.8%.

The 2013 sales increase reflected higher net sales of $7.1 million from microwave and interconnect systems collectively, which included $1.0 million in incremental revenue from the acquisition of VariSystems Inc. The sales increase also reflected $1.1 million from avionics products and electronic relays and $1.6 million for electronic manufacturing service products. Operating profit in 2013 decreased and reflected the impact of $1.7 million for severance and relocation costs associated with certain electronic manufacturing businesses, partially offset by higher sales and lower LIFO expense of $0.7 million. We expect additional severance and relocation costs associated with certain electronic manufacturing services businesses in the second quarter and full year of 2013.

For the first quarter of 2013 the change in operating profit from recent acquisitions was a decrease of $0.4 million.

First quarter cost of sales increased by $10.7 million, compared with the first quarter of 2012, and reflected the impact of higher sales and product mix differences. Cost of sales as a percentage of sales for the first quarter of 2013 increased to 69.0% from 66.6% in the first quarter of 2012 and reflected the impact of severance and relocation costs and product mix differences.

Engineered Systems

(Dollars in millions)	First Quarter 2013	First Quarter 2012
Sales	$71.2	$74.4
Cost of sales	$59.2	$61.1
Selling, general and administrative expenses	$5.6	$7.1
Operating profit	$6.4	$6.2
Cost of sales % of sales	83.1 %	82.1 %
Selling, general and administrative expenses % of sales	7.9 %	9.6 %
Operating profit % of sales	9.0 %	8.3 %

First quarter of 2013 compared with the first quarter of 2012

The Engineered Systems segment's first quarter 2013 sales were $71.2 million, compared with $74.4 million in the first quarter of 2012, a decrease of 4.3%. Operating profit was $6.4 million for the first quarter 2013, compared with operating profit of $6.2 million in the first quarter of 2012, an increase of 3.2%.

The first quarter 2013 sales decrease reflected lower energy systems sales of $3.7 million and lower sales of $0.9 million related to turbine engines, partially offset by higher sales of $1.4 million from engineered products and services, including missile defense programs. Operating profit in the first quarter of 2013 reflected the impact of higher margins for engineered products and services, partially offset by lower sales and $1.1 million in higher net pension expense.

First quarter cost of sales decreased by $1.9 million, compared with the first quarter of 2012, and reflected the impact of lower sales partially offset by higher pension expense. Cost of sales as a percentage of sales for the first quarter of 2013 increased slightly to 83.1% from 82.1% in the first quarter of 2012 and reflected higher pension expense. The decrease the selling, general and administrative expense percentage primarily reflected the impact of cost reductions.

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Financial Condition, Liquidity and Capital Resources
Our net cash used by operating activities was $56.7 million for the first three months of 2013, compared with net cash used by operating activities of $19.7 million for the same period of 2012. The lower cash provided by operating activities from in the first three months of 2013 reflected the impact of a voluntary $83.0 million cash contribution to the domestic pension plan in the first quarter of 2013, compared with a voluntary $50.0 million cash contribution to the domestic pension plan for the first quarter of 2012. No further cash pension contributions are planned for the remainder of 2013 for the domestic pension plan. The first quarter of 2013 also reflected higher income tax payments of $4.2 million compared with the first quarter of 2012.
Our net cash used in investing activities was $86.0 million for the first three months of 2013, compared with net cash used by investing activities of $45.5 million for the first three months of 2012. The 2013 amount includes the acquisition of RESON and the 2012 amount includes the acquisition of VariSystems.
Capital expenditures for the first three months of 2013 and 2012 were $16.3 million and $10.6 million, respectively.
Our goodwill was $1,014.8 million at March 31, 2013 and $990.2 million at December 30, 2012. The increase in the balance of goodwill in 2013 resulted from the RESON acquisition partially offset by the impact of exchange rate changes. Teledyne's net acquired intangible assets were $280.1 million at March 31, 2013 and $265.7 million at December 30, 2012. The increase in the balance of acquired intangible assets in 2013 resulted from the RESON acquisition, partially offset by amortization and the impact of exchange rate changes. The Company’s cost to acquire RESON has been allocated to the assets acquired and liabilities assumed based upon their respective fair values as of the date of the completion of the acquisition. The differences between the fair value of the consideration paid and the estimated fair value of the assets and liabilities acquired has been recorded as goodwill. The Company has completed the process of specifically identifying the amounts assigned to assets and liabilities and acquired intangible assets and the related impact on goodwill for the RESON acquisition.
Financing activities provided cash of $145.9 million for the first three months of 2013, compared with cash provided by financing activities of $100.7 million for the first three months of 2012. Cash provided by financing activities for the first three months of 2013 and 2012 included net borrowings of $140.1 million and $88.1 million, respectively. Proceeds from the exercise of stock options were $4.8 million and $7.7 million for the first three months of 2013 and 2012, respectively. The first three months of 2013 and 2012 included $1.8 million and $2.9 million, respectively, in excess tax benefits related to stock option exercises.
Working capital was $397.2 million at March 31, 2013, compared with $337.5 million at December 30, 2012. The increase in working capital primarily reflected the impact of current year acquisitions and lower payroll accruals due to first quarter payments.
Our principal cash and capital requirements are to fund working capital needs, capital expenditures, income tax payments, pension contributions, debt service requirements and the stock repurchase program, as well as acquisitions. It is anticipated that operating cash flow, together with available borrowings under the credit facility described below, will be sufficient to meet these requirements over the next twelve months. We may need to raise additional capital to support acquisitions. We currently expect capital expenditures to be approximately $90.0 million in 2013, of which $16.3 million has been spent in the first three months of 2013.
On March 1, 2013, the company amended its $550.0 million credit facility to increase the borrowing capacity to $750.0 million and extended the maturity date from February 2016 to March 1, 2018, and includes lower applicable interest rates. The other material terms of the credit facility, including covenants, remain unchanged. Excluding interest and fees, no payments are due under the credit facility until it matures. On October 22, 2012, Teledyne entered into $200.0 million of term loans that mature in October 2015. The proceeds were applied against the $550.0 million revolving credit facility. The credit agreements require the Company to comply with various financial and operating covenants, including maintaining certain consolidated leverage and interest coverage ratios. Borrowings under our credit facility and term loans are at variable rates which are, at our option, tied to a Eurocurrency rate equal to LIBOR (London Interbank Offered Rate) plus an applicable rate or a base rate as defined in our credit agreements. Eurocurrency rate loans may be denominated in U.S. dollars or an alternative currency as defined in the agreement. Eurocurrency or LIBOR based loans under the facility typically have terms of one, two, three or six months and the interest rate for each such loan is subject to change if the loan is continued or converted following the applicable

maturity date. The Company has not drawn any loans with a term longer than three months under the credit facility. Base rate loans have interest rates that primarily fluctuate with changes in the prime rate. Interest rates are also subject to change based on our consolidated leverage ratio as defined in the credit agreement. The credit agreement also provides for facility fees that vary between 0.125% and 0.30% of the credit line, depending on our consolidated leverage ratio as calculated from time to time.

Total debt at March 31, 2013, includes $219.4 million outstanding under the $750.0 million credit facility, $250.0 million in private placement notes, $200.0 million in term loans and $13.8 million in other debt. The Company also has $13.2 million in capital leases, of which $1.4 million is current. At March 31, 2013, Teledyne had $14.6 million in outstanding letters of credit. Available borrowing capacity under the $750.0 million credit facility, which is reduced by borrowings and certain outstanding

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letters of credit, was $516.5 million at March 31, 2013. The credit agreements require the Company to comply with various financial and operating covenants and at March 31, 2013 the Company was in compliance with these covenants. As of March 31, 2013 the Company had a significant amount of margin between required financial covenant ratios and our actual ratios. At March 31, 2013 the required financial ratios and the actual ratios were as follows:

$750.0 million Credit Facility expires March 2018 and $200.0 million term loans due October 2015

Financial Covenant	Requirement	Actual Measure
Consolidated Leverage Ratio (Net Debt/EBITDA) (1)	No more than 3.25 to 1	2.0 to 1
Consolidated Interest Coverage Ratio (EBITDA/Interest) (2)	No less than 3.0 to 1	15.1 to 1

$250.0 million Private Placement Notes due 2015, 2017 and 2020

Financial Covenant	Requirement	Actual Measure
Consolidated Leverage Ratio (Net Debt/EBITDA) (1)	No more than 3.25 to 1	2.0 to 1
Consolidated Interest Coverage Ratio (EBITDA/Interest) (2)	No less than 3.0 to 1	15.1 to 1

1) The Consolidated Leverage Ratio is equal to Net Debt/EBITDA as defined in our private placement note purchase agreement and our $750.0 million credit agreement.

2) The Consolidated Interest Coverage Ratio is equal to EBITDA/Interest as defined in our private placement note purchase agreement and our $750.0 million credit agreement.

Teledyne also has a $5.0 million uncommitted credit line which permits credit extensions up to $5.0 million plus an incremental $2.0 million solely for standby letters of credit. There were no amounts outstanding under this credit line at March 31, 2013. This credit line is utilized, as needed, for periodic cash needs.

Our liquidity is not dependent upon the use of off-balance sheet financial arrangements. We have no off-balance sheet financing arrangements that incorporate the use of special purpose entities or unconsolidated entities.

Critical Accounting Policies

Our critical accounting policies are those that are reflective of significant judgments and uncertainties, and may potentially result in materially different results under different assumptions and conditions. Our critical accounting policies are the following: revenue recognition; accounting for pension plans; accounting for business combinations, goodwill and other long-lived assets; and accounting for income taxes.

For additional discussion of the application of the other critical accounting policies and other accounting policies, see Management's Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Policies and Note 2 of the Notes to Consolidated Financial Statements included in Teledyne's 2012 Form 10-K.

Safe Harbor Cautionary Statement Regarding Forward-Looking Information

From time to time we make, and this report contains, forward looking statements, as defined in the Private Securities Litigation Reform Act of 1995, relating to earnings, growth opportunities, product sales, capital expenditures, pension matters, stock option compensation expense, interest expense, severance and relocation costs, taxes, and strategic plans. Forward-looking statements are generally accompanied by words such as "estimate", "project", "predict", "believes" or "expect", that convey the uncertainty of future events or outcomes. All statements made in this Management's Discussion and Analysis of Financial Condition and Results of Operations that are not historical in nature should be considered forward-looking.

Actual results could differ materially from these forward-looking statements. Many factors could change the anticipated results, including: disruptions in the global economy; changes in demand for products sold to the defense electronics, instrumentation, digital imaging, energy exploration and production, commercial aviation, semiconductor and communications markets; funding, continuation and award of government programs; and cuts to defense spending resulting from future deficit reduction measures, including potential automatic cuts to defense spending that may be triggered by the Budget Control Act of 2011. Increasing fuel costs could negatively affect the markets of our commercial aviation businesses. Lower oil and natural gas prices, as well as instability in the Middle East or other oil producing regions, and new regulations or restrictions relating to energy production, including with respect to hydraulic fracturing, could negatively affect the Company’s businesses that supply the oil and gas industry. In addition, financial market fluctuations affect the value of the Company’s pension assets.

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Changes in the policies of U.S. and foreign governments could result, over time, in reductions and realignment in defense or other government spending and further changes in programs in which the company participates.
While the company's growth strategy includes possible acquisitions, we cannot provide any assurance as to when, if or on what terms any acquisitions will be made. Acquisitions involve various inherent risks, such as, among others, our ability to integrate acquired businesses, retain customers and achieve identified financial and operating synergies. There are additional risks associated with acquiring, owning and operating businesses internationally, including those arising from U.S. and foreign policy changes and exchange rate fluctuations.
While we believe our internal and disclosure control systems are effective, there are inherent limitations in all control systems, and misstatements due to error or fraud may occur and not be detected.
Readers are urged to read our periodic reports filed with the Securities and Exchange Commission for a more complete description of our Company, its businesses, its strategies and the various risks that we face. Various risks are identified in Teledyne's 2012 Form 10-K and this Form 10-Q.
We assume no duty to publicly update or revise any forward-looking statements, whether as a result of new information or otherwise.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Except as set forth below, there were no material changes to the information provided under "Item 7A, Quantitative and Qualitative Disclosure About Market Risk" included in our 2012 Form 10-K.

Market Risk

We are exposed to various market risks, including changes in foreign currency exchange rates, and interest rates. Foreign currency forward contracts are used primarily to hedge anticipated exposures. We do not enter into derivatives or other financial instruments for trading or speculative purposes.

Foreign Currency Exchange Rate Risk

Notwithstanding our efforts to mitigate portions of our foreign currency exchange rate risks, there can be no assurance that our hedging activities will adequately protect us against the risks associated with foreign currency fluctuations. A hypothetical 10 percent price change in the U.S. dollar from its value at March 31, 2013 would result in a decrease or increase in the fair value of our foreign currency forward contracts to buy Canadian dollars and to sell U.S. dollars by approximately $6.3 million. For additional information please see Derivative Instruments discussed in Note 3 to these condensed consolidated financial statements.

Interest Rate Exposure

We are exposed to market risk through the interest rate on our borrowings under our $750.0 million credit facility and our $200.0 million in term loans. Borrowings under our credit facility and our term loans are at variable rates which are, at our option, tied to a Eurocurrency rate equal to LIBOR (London Interbank Offered Rate) plus an applicable rate or a base rate as defined in our credit agreement. Eurocurrency rate loans may be denominated in U.S. dollars or an alternative currency as defined in the agreement. Eurocurrency or LIBOR based loans under the facility typically have terms of one, two, three or six months and the interest rate for each such loan is subject to change if the loan is continued or converted following the applicable maturity date. The Company has not drawn any loans with a term longer than three months under the credit facility. Base rate loans have interest rates that primarily fluctuate with changes in the prime rate. Interest rates are also subject to change based on our consolidated leverage ratio as defined in the credit agreement. As of March 31, 2013 we had $419.4 million in outstanding indebtedness under our credit facility and term loans. A 100 basis point increase in interest rates would result in an increase in annual interest expense of approximately $4.2 million, assuming the $419.4 million in debt was outstanding for the full year.

Item 4. Controls and Procedures

Our disclosure controls and procedures are designed to ensure that information required to be disclosed in reports that we file or submit under the Securities Exchange Act of 1934, are recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission and to provide reasonable assurance that information required to be disclosed by us in such reports is accumulated and communicated to the Company's management, including its principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. Our Chairman, President and Chief Executive Officer and our Senior Vice President and Chief Financial Officer, with the participation and assistance of other members of management, have reviewed the effectiveness of our

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disclosure controls and procedures and have concluded that the disclosure controls and procedures, as of March 31, 2013, are effective.

In connection with our evaluation during the quarterly period ended March 31, 2013, we have made no change in our internal controls over financial reporting that have materially affected or are reasonably likely to materially affect our internal controls over financial reporting. There also were no significant deficiencies or material weaknesses identified for which corrective action needed to be taken.

PART II OTHER INFORMATION

Item 1. Legal Proceedings

See Item 1 of Part I, "Financial Statements — Note 11 — Lawsuits, Claims, Commitments and Related Matters."

Item 1A. Risk Factors

There are no material changes to the risk factors previously disclosed in our 2012 Form 10-K in response to Item 1A to Part 1 of Form 10-K. See also Part I Item 3, Quantitative and Qualitative Disclosures About Market Risk, for updated disclosures about interest rate exposure.

Item 2. Unregistered sales of equity securities and use of proceeds

On October 25, 2011, the Company's Board of Directors authorized a stock repurchase program to repurchase up to 2,500,000 shares of the Company's common stock. No shares were repurchased under the program in 2012. As of March 31, 2013, 1,841,438 shares remained available for repurchase pursuant to this program.

Item 6. Exhibits

(a) Exhibits

Exhibit 10.1	Amended and Restated Credit Agreement, dated as of March 1, 2013, by and among Teledyne Technologies Incorporated (Teledyne), certain subsidiaries of Teledyne as Designated Borrowers, certain subsidiaries of Teledyne as Guarantors, the Lender parties thereto and Bank of America, N.A. as Administrative Agent, Swing-Line Lender and L/C Issuer (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K dated March 1, 2013).
Exhibit 31.1	302 Certification – Robert Mehrabian
Exhibit 31.2	302 Certification – Susan L. Main
Exhibit 32.1	906 Certification – Robert Mehrabian
Exhibit 32.2	906 Certification – Susan L. Main
Exhibit 101 (INS)	XBRL Instance Document
Exhibit 101 (SCH)	XBRL Schema Document
Exhibit 101 (CAL)	XBRL Calculation Linkbase Document
Exhibit 101 (LAB)	XBRL Label Linkbase Document XBRL Schema Document
Exhibit 101 (PRE)	XBRL Presentation Linkbase Document XBRL Schema Document
Exhibit 101 (DEF)	XBRL Definition Linkbase Document XBRL Schema Document

SIGNATURES

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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.

TELEDYNE TECHNOLOGIES INCORPORATED

DATE: May 7, 2013

By: /s/ Susan L. Main
Susan L. Main, Senior Vice President and Chief Financial Officer
(Principal Financial Officer and Authorized Officer)

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Teledyne Technologies Incorporated
Index to Exhibits

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