
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 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) March 17, 2010

watsco

WATSCO, INC.

(Exact Name of Registrant as Specified in Its Charter)

Florida

(State or Other Jurisdiction of Incorporation)

1-5581

(Commission File Number)

59-0778222

(IRS Employer Identification No.)

2665 South Bayshore Drive, Suite 901

Coconut Grove, Florida 33133

(Address of Principal Executive Offices, Including Zip Code)

(305) 714-4100

(Registrant's Telephone Number, Including Area Code)

N/A

(Former Name or Former Address, if Changed Since Last Report)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 7.01. Regulation FD Disclosure

On July 8, 2009, Watsco, Inc. (the “Company”) filed with the Securities and Exchange Commission (the “SEC”) a Current Report on Form 8-K (the “July 8-K”), reporting that on July 1, 2009, the Company completed the formation of Carrier Enterprise, LLC (“Carrier Enterprise”), a joint venture with Carrier Corporation (“Carrier”), pursuant to a purchase and contribution agreement dated May 3, 2009, as amended June 29, 2009, by and between Carrier and the Company, under which Carrier contributed 95 locations and the Company contributed 15 locations (the “Transaction”). On September 17, 2009, the Company filed with the SEC an amendment to the July 8-K (the “Amended 8-K”), containing the financial statements and pro forma financial information required pursuant to Item 9.01(a) and (b), respectively, of Form 8-K in respect of the Transaction.

In response to requests from various members of the analyst community, seeking supplementation of the pro forma financial information filed with the Amended 8-K, the Company has prepared certain additional unaudited pro forma selected quarterly financial data, together with the accompanying note thereto (the “Additional Unaudited Pro Forma Selected Quarterly Financial Data”), for distribution to inquiring parties. This Additional Unaudited Pro Forma Selected Quarterly Financial Data is attached hereto as Exhibit 99.1 and incorporated by reference in this Item 7.01. The Additional Unaudited Pro Forma Selected Quarterly Financial Data should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the Company’s historical audited consolidated financial statements, and the accompanying notes thereto, which are included in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2009, filed with the SEC on February 26, 2010, and the unaudited pro forma financial information filed by the Company with the Amended 8-K.

The adjustments reflected in the Additional Unaudited Pro Forma Selected Quarterly Financial Data are based upon currently available information and certain estimates and assumptions, all of which are subject to change. Although the Company believes that the estimates and assumptions used provide a reasonable basis for presenting the effects of the Transaction as described in the Additional Unaudited Pro Forma Selected Quarterly Financial Data, actual results may differ materially. The information contained in the Additional Unaudited Pro Forma Selected Quarterly Financial Data does not purport to be indicative of the Company’s results of operations or the Company’s financial position had the Transaction been consummated as of the date set forth therein. The Unaudited Pro Forma Selected Quarterly Financial Data does not purport to project the future financial condition and results of operations of the Company.

The information in this Item 7.01, including Exhibit 99.1, shall be treated as “furnished,” and not “filed,” for purposes of the Securities Exchange Act of 1934, as amended, and shall not be incorporated by reference in any registration statement filed by the Company under the Securities Act of 1933, as amended.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1	Additional Unaudited Pro Forma Selected Quarterly Financial Data related to the Carrier Enterprise, LLC joint venture for the year ended December 31, 2009.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

WATSCO, INC.

Dated: March 17, 2010

By: /s/ Ana M. Menendez
Ana M. Menendez,
Chief Financial Officer

WATSCO, INC. AND SUBSIDIARIES

ADDITIONAL UNAUDITED PRO FORMA
SELECTED QUARTERLY FINANCIAL DATA

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WATSCO, INC. AND SUBSIDIARIES
INTRODUCTION TO ADDITIONAL UNAUDITED PRO FORMA
SELECTED QUARTERLY FINANCIAL DATA
(In millions)

On July 8, 2009, Watsco, Inc. (the "Company") filed with the Securities and Exchange Commission (the "SEC") a Current Report on Form 8-K (the "July 8-K"), reporting that on July 1, 2009, the Company completed the formation of Carrier Enterprise, LLC ("Carrier Enterprise"), a joint venture with Carrier Corporation ("Carrier"), a unit of United Technologies Corporation ("UTC"), pursuant to a purchase and contribution agreement dated May 3, 2009, as amended June 29, 2009, by and between Carrier and the Company, under which Carrier contributed 95 locations and the Company contributed 15 locations (the "Transaction"). The Company owns 60% of Carrier Enterprise and Carrier owns 40%.

On September 17, 2009, the Company filed with the SEC an amendment to the July 8-K (the "Amended 8-K"), containing the financial statements and pro forma financial information required pursuant to Item 9.01(a) and (b), respectively, of Form 8-K in respect of the Transaction.

The accompanying additional unaudited pro forma selected quarterly financial data summarizes results on a quarterly basis for solely the 95 locations contributed by Carrier to the joint venture for the year ended December 31, 2009 as if the joint venture had occurred on January 1, 2009.

The additional unaudited pro forma selected quarterly financial data has been developed from and should be read in conjunction with the interim condensed consolidated unaudited financial statements contained in the Company's Quarterly Report on Form 10-Q for the quarterly periods ended June 30, 2009 and September 30, 2009, the Amended 8-K and the historical audited consolidated financial statements contained in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2009. The additional unaudited pro forma selected quarterly financial data is provided for illustrative purposes only and does not purport to represent the financial results of the business had the formation of Carrier Enterprise occurred on the date assumed, nor is the selected quarterly financial data necessarily indicative of the future results of operations or consolidated financial position.

The Company expects Carrier Enterprise to incur certain costs and realize certain benefits associated with "carving out" the operations of the business from Carrier and UTC and integrating the operations of the business and the locations contributed by the Company. The additional unaudited pro forma selected quarterly financial data does not reflect the costs of any integration activities or benefits that may result from operating efficiencies expected to result from the formation of Carrier Enterprise.

WATSCO, INC. AND SUBSIDIARIES
 ADDITIONAL UNAUDITED PRO FORMA SELECTED QUARTERLY FINANCIAL DATA
 FOR THE YEAR ENDED DECEMBER 31, 2009
 (In millions)

	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>	<u>Total</u>
Revenues	\$ 225.3	\$ 335.2	\$ 336.8	\$ 251.2	\$1,148.5
Gross profit	43.9	65.4	67.7	53.5	230.5
Operating income (loss)	(4.0)	15.5	14.3	4.8	30.6
Income (loss) before income taxes (Note 1)	<u>\$ (4.5)</u>	<u>\$ 15.1</u>	<u>\$ 14.1</u>	<u>\$ 4.5</u>	<u>\$ 29.2</u>

See accompanying note to additional unaudited pro forma selected quarterly financial data.

WATSCO, INC. AND SUBSIDIARIES
NOTE TO ADDITIONAL UNAUDITED PRO FORMA
SELECTED QUARTERLY FINANCIAL DATA
(In millions)

Note 1. Basis of Presentation

On July 1, 2009, the Company completed the formation of a joint venture with Carrier, a wholly owned subsidiary of UTC, to distribute Carrier, Bryant and Payne products throughout the U.S. Sunbelt, Latin America and the Caribbean. The newly formed joint venture, Carrier Enterprise, operates 110 locations in 20 states and Puerto Rico and serves over 19,000 air conditioning and heating contractors. In the formation of the joint venture, Carrier contributed 95 locations in the U.S. Sunbelt and Puerto Rico and the export division located in Miami, Florida (the "New Locations") and the Company contributed 15 wholly-owned locations that historically distributed Carrier, Bryant and Payne products.

The additional unaudited pro forma selected quarterly financial data presents the unaudited pro forma quarterly financial data of the New Locations for the year ended December 31, 2009. The information is presented for illustrative purposes only and does not reflect the costs of any integration activities or benefits that may result from operating efficiencies expected to result from the formation of the joint venture.

The additional unaudited pro forma selected quarterly financial data incorporates certain pro forma adjustments consistent with those summarized in the Amended 8-K.

Additional information:

Transaction Costs

The data includes one-time transaction costs incurred by Carrier Enterprise of \$2.4 for the three months ended September 30, 2009 and \$.8 for the three months ended December 31, 2009.

Income Taxes

The joint venture is taxed primarily as a partnership for income tax purposes. A reconciliation of Watsco's effective tax rate in 2009 is as follows:

Effective income tax rate attributable to Watsco	37.8%
Effective income tax rate attributable to non-controlling interest	<u>(3.6)</u>
Effective income tax rate	<u>34.2%</u>

See Note 5 to the Company's audited consolidated financial statements contained in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2009 for additional information.