MFS GOVERNMENT MARKETS INCOME TRUST
Form SC 13D/A
October 05, 2007

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

SCHEDULE 13D/A
Under the Securities Exchange Act of 1934
(Amendment No. 3)

____

MFS Government Markets Income Trust

(Name of Issuer)

Common Stock

(Title of Class of Securities)

552939100

(CUSIP Number)

Bulldog Investors General Partnership
Park 80 West, Plaza Two, Suite 750
Saddle Brook, NJ 07663
Tel. (201) 556-0092

With a copy to:

Stephen P. Wink, Esq.
Cahill/Wink LLP
5 Penn Plaza
23rd Floor
New York, NY 10001

(646) 378-2105

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

October 4, 2007

(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of ss.ss.240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. [ ]

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. *See* ss. §240.13d-7 for other parties to whom copies are to be sent.

*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 disclosures provided in a prior cover page.

The information required on 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).

CUSIP No. 552939100

1 Name of Reporting Persons
I.R.S. Identification Nos. of above persons (entities only)

Bulldog Investors General Partnership
56-2585535

2 Check the Appropriate Box if a Member of a Group (See Instructions)

(a) [ ]
(b) [X]

3 SEC Use Only

4 Source of Funds (See Instructions)
WC

5 Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)[ ]

6 Citizenship or Place of Organization

New York

Number of Shares Beneficially Owned by Each Reporting Person With:	**7**	**Sole Voting Power**	5,290,454
	8	**Shared Voting Power**	0
	9	**Sole Dispositive Power**	5,290,454
	10	**Shared Dispositive Power**	0

11 Aggregate Amount Beneficially Owned by Each Reporting Person

5,290,454

12 Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)[ ]

13 Percent of Class Represented by Amount in Row (11)

10.3%

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14 Type of Reporting Person (See Instructions)

PN

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This Amendment No. 3 amends the Schedule 13D filed May 1, 2007 (the "Schedule 13D"), as amended by Amendment No. 1 filed June 13, 2007, and Amendment No. 2 filed September 11, 2007, and is filed by Bulldog Investors General Partnership (the "Reporting Person"), with respect to the Common Stock of MGF. Capitalized terms used herein but not defined herein shall have the meanings attributed to them in the Schedule 13D.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

Item 6 of the Schedule 13D is supplemented as follows:

On October 4, 2007 the Reporting Person entered into an agreement (the "MGF Agreement") with Massachusetts Financial Services Company ("MFS"), the advisor of MGF, to terminate the Reporting Person's tender offer, which was announced on September 11, 2007, to purchase up to 5,000,000 of the outstanding shares (the "Shares") of common stock, no par value, of MGF for cash at a price equal to 96.25% of the net asset value per Share determined as of the close of the regular trading session of the New York Stock Exchange on the expiration date of the tender offer.

In addition, pursuant to the terms of the MGF Agreement:

(i) MFS shall recommend that the Board of Trustees of MGF approve a tender offer by MGF for 37.5% of its issued and outstanding common shares at a price equal to 99% of net asset value to expire as of market close on November 14, 2007, subject to certain conditions (the "MGF Tender");

(ii) the Reporting Person shall terminate its related proxy solicitation and withdraw its nominees for election at the 2007 Annual Meeting of Shareholders of MGF, withdraw its shareholder proposal to open-end MGF and support MGF's proposal to incur leverage;

(iii) for a period of five years after consummation of the MGF Tender, the Reporting Person shall (a) refrain from directly or indirectly making or supporting any shareholder proposals concerning MGF, (b) vote in accordance with the recommendations of MFS on any matters affecting MGF, (c) refrain from directly or indirectly soliciting or encouraging others to vote against MFS's recommendations on any matters affecting MGF; and (d) refrain from directly or indirectly proposing, or making any filing with respect to, any form of business combination, restructuring, recapitalization, dissolution or similar transaction involving MGF, including, without limitation, a merger, tender or exchange offer, open-ending, share repurchase or liquidation of the MGF's assets; and

(iv) for a period of 18 months after consummation of the MGF Tender, the Reporting Person shall (a) refrain from directly or indirectly making or supporting any shareholder proposals concerning any other existing or future MFS-advised closed-end funds ("Other MFS Funds"), (b) vote in accordance with MFS's recommendations on any matters affecting the Other MFS Funds, (c) refrain from

directly or indirectly soliciting or encouraging others to vote against MFS's recommendations on any matters affecting the Other MFS Funds; and (d) refrain from directly or indirectly proposing, or making any filing with respect to, any form of business combination, restructuring, recapitalization, dissolution or similar transaction involving the Other MFS Funds, including, without limitation, a merger, tender or exchange offer, open-ending, share repurchase or liquidation of the Other MFS Funds' assets.

The foregoing description of the MGF Agreement does not purport to be complete and is qualified in its entirety by reference to the full text thereof, which is filed as Exhibit 1 hereto, and is incorporated herein by reference.

Item 7. Material to be Filed as Exhibits.

Exhibit No.	Description
1.	MGF Tender and Standstill Agreement, dated as of October 4, 2007, between Bulldog Investors General Partnership and Massachusetts Financial Services Company (filed herewith).

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: October 5, 2007

BULLDOG INVESTORS GENERAL PARTNERSHIP

By: KIMBALL & WINTHROP, INC., general partner

By: /s/ Phillip Goldstein

Name: Phillip Goldstein
Title: President

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44,133

35,250

Income from continuing operations before income taxes
90,785

62,658

169,703

83,717

Income tax expense
32,221

20,837

60,235

30,316

Income from continuing operations
58,564

41,821

109,468

53,401

Loss from discontinued operations, net
(76
)

(281
)

(765
)

(489
)

Net income
$
58,488

$
41,540

$
108,703

$
52,912

Earnings per share—basic:

Income from continuing operations
$
1.20

$

0.87

$
2.25

$
1.28

Loss from discontinued operations, net
—

(0.01
)

(0.02
)

(0.01
)

Net income
$
1.20

$
0.86

$
2.24

*
$
1.26

*

Weighted average common shares outstanding—basic

48,697

48,115

48,582

41,845

Earnings per share—diluted:

Income from continuing operations
$
1.13

$
0.84

$
2.13

$
1.22

Loss from discontinued operations, net
—

(0.01
)

(0.01
)

(0.01
)

Net income
$
1.13

$
0.83

$
2.11

*
$
1.21

Weighted average common shares outstanding—diluted
51,646

50,036

51,478

43,782

Dividends declared and paid per common share
$
0.04

$
0.02

$
0.06

$
0.04

* Difference due to rounding.
SEE ACCOMPANYING NOTES.

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Triumph Group, Inc.
Consolidated Statements of Cash Flows
(dollars in thousands)
(unaudited)

	Six Months Ended September 30,	
	2011	2010
Operating Activities		
Net income	$108,703	$52,912
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	58,933	41,877
Amortization of acquired contract liabilities	(13,510)	(9,581)
Accretion of debt discount	4,272	3,463
Other amortization included in interest expense	7,948	1,927
Provision for doubtful accounts receivable	601	88
Provision for deferred income taxes	59,665	1,293
Employee stock-based compensation	2,397	1,482
Changes in other current assets and liabilities, excluding the effects of acquisitions and dispositions of businesses:		
Trade and other receivables	(10,784)	62,477
Rotable assets	(5,874)	(315)
Inventories	(36,654)	(11,329)
Prepaid expenses and other current assets	(6,422)	(2,873)
Accounts payable, accrued expenses and other current liabilities	(24,521)	43,287
Accrued pension and other postretirement benefits	(85,766)	(67,701)
Changes in discontinued operations	241	148
Other	1,881	553
Net cash provided by operating activities	61,110	117,708
Investing Activities		
Capital expenditures	(33,920)	(41,228)
Proceeds from sale of assets	7,450	1,132
Acquisitions, net of cash acquired	19,205	(333,228)
Net cash used in investing activities	(7,265)	(373,324)
Financing Activities		
Net increase in revolving credit facility	306,608	97,145
Proceeds from issuance of long-term debt	59,800	746,105
Repayment of debt and capital lease obligations	(417,701)	(662,520)
Payment of deferred financing costs	(3,903)	(22,663)
Dividends paid	(2,943)	(1,636)
Repurchase of restricted shares for minimum tax obligation	(608)	(1,861)
Proceeds from exercise of stock options, including excess tax benefit of $0 and $251 in fiscal 2012 and 2011	674	1,017
Net cash (used in) provided by financing activities	(58,073)	155,587
Effect of exchange rate changes on cash	(350)	222
Net change in cash	(4,578)	(99,807)
Cash at beginning of period	39,328	157,218

Cash at end of period	$34,750	$57,411

SEE ACCOMPANYING NOTES.

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Triumph Group, Inc.
Consolidated Statements of Comprehensive Income
(dollars in thousands)
(unaudited)

	Three Months Ended September 30,		Six Months Ended September 30,	
	2011	2010	2011	2010
Net income	$58,488	$41,540	$108,703	$52,912
Other comprehensive income (loss)				
Foreign currency translation adjustment	(6,877)	5,234	(4,870)	1,910
Pension and postretirement adjustments, net of income taxes of $427 and $854, respectively	(698)	—	(1,396)	—
Unrealized (loss) gain on cash flow hedge, net of tax of $0, $136, $88 and $424, respectively	—	297	232	594
Total other comprehensive income (loss)	(7,575)	5,531	(6,034)	2,504
Total comprehensive income	$50,913	$47,071	$102,669	$55,416

SEE ACCOMPANYING NOTES.

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Triumph Group, Inc.
Notes to Consolidated Financial Statements
(dollars in thousands, except per share data)
(unaudited)

1. BASIS OF PRESENTATION AND ORGANIZATION

The accompanying unaudited consolidated financial statements of Triumph Group, Inc. (the "Company") have been prepared in conformity with accounting principles generally accepted in the United States ("U.S. GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. In the opinion of management, the interim financial information includes all adjustments of a normal recurring nature necessary for a fair presentation of the results of operations, financial position and cash flows. The results of operations for the three and six months ended September 30, 2011 are not necessarily indicative of results that may be expected for the year ending March 31, 2012. The accompanying condensed consolidated financial statements are unaudited and should be read in conjunction with the fiscal 2011 audited consolidated financial statements and notes thereto, included in the Form 10-K for the year ended March 31, 2011 filed in May 2011.

The Company designs, engineers, manufactures, repairs and overhauls a broad portfolio of aerostructures, aircraft components, accessories, subassemblies and systems. The Company serves a broad, worldwide spectrum of the aviation industry, including original equipment manufacturers of commercial, regional, business and military aircraft and aircraft components, as well as commercial and regional airlines and air cargo carriers.

On June 9, 2011, the Company's Board of Directors approved a two-for-one split of the Company's common stock. The stock split resulted in the issuance of one additional share for each share issued and outstanding. The stock split was effective on July 14, 2011, to stockholders of record at the close of business on June 22, 2011. Additionally, the Board of Directors approved a 100% increase in the quarterly cash dividend rate on the Company's common stock to $0.04 per common share from $0.02 per common share on a post-split basis. All share and per share information included in this report has been retroactively adjusted to reflect the impact of the stock split.

Reclassifications have been made to prior-year amounts in order to conform to the current-year presentation related to the completion of the measurement period adjustments for the acquisition of Vought Aircraft Industries, Inc. ("Vought") (Note 3), the effect of the two-for-one stock split announced by the Company in June 2011 and the cash flow presentation of the settlement of deferred and/or contingent payments on acquisitions as financing activities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Revenue Recognition

Revenues are generally recognized in accordance with the contract terms when products are shipped, delivery has occurred or services have been rendered, pricing is fixed and determinable, and collection is reasonably assured. A significant portion of the Company's contracts are within the scope of the Revenue - Construction-Type and Production-Type Contracts topic of the Accounting Standards Codification ("ASC") and revenue and costs on contracts

are recognized using percentage-of-completion method of accounting. Accounting for the revenue and profit on a contract requires estimates of (1) the contract value or total contract revenue, (2) the total costs at completion, which is equal to the sum of the actual incurred costs to date on the contract and the estimated costs to complete the contract's scope of work and (3) the measurement of progress towards completion. Depending on the contract, the Company measures progress toward completion using either the cost-to-cost method or the units-of-delivery method, with the great majority measured under the units of delivery method.

- Under the cost-to-cost method, progress toward completion is measured as the ratio of total costs incurred to estimated total costs at completion. Costs are recognized as incurred. Profit is determined based on estimated profit margin on the contract multiplied by progress toward completion. Revenue represents the sum of costs and profit on the contract

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Triumph Group, Inc.
Notes to Consolidated Financial Statements
(dollars in thousands, except per share data)
(unaudited)
2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

for the period.

- Under the units-of-delivery method, revenue on a contract is recorded as the units are delivered and accepted during the period at an amount equal to the contractual selling price of those units. The costs recorded on a contract under the units-of-delivery method are equal to the total costs at completion divided by the total units to be delivered. As contracts can span multiple years, the Company often segments the contracts into production lots for the purposes of accumulating and allocating cost. Profit is recognized as the difference between revenue for the units delivered and the estimated costs for the units delivered.

Adjustments to original estimates for a contract's revenues, estimated costs at completion and estimated total profit are often required as work progresses under a contract, as experience is gained and as more information is obtained, even though the scope of work required under the contract may not change, or if contract modifications occur. These estimates are also sensitive to the assumed rate of production. Generally, the longer it takes to complete the contract quantity, the more relative overhead that contract will absorb. The impact of revisions in cost estimates is recognized on a cumulative catch-up basis in the period in which the revisions are made. Provisions for anticipated losses on contracts are recorded in the period in which they become evident (''forward losses'') and are first offset against costs that are included in inventory, with any remaining amount reflected in accrued contract liabilities in accordance with the Construction and Production-Type Contracts topic. Revisions in contract estimates, if significant, can materially affect results of operations and cash flows, as well as valuation of inventory. Furthermore, certain contracts are combined or segmented for revenue recognition in accordance with the Construction and Production-Type Contracts topic.

Amounts representing contract change orders or claims are only included in revenue when such change orders or claims have been settled with the customer and to the extent that units have been delivered. Additionally, some contracts may contain provisions for revenue sharing, price re-determination, requests for equitable adjustments, change orders or cost and/or performance incentives. Such amounts or incentives are included in contract value when the amounts can be reliably estimated and their realization is reasonably assured.

Although fixed-price contracts, which extend several years into the future, generally permit the Company to keep unexpected profits if costs are less than projected, the Company also bears the risk that increased or unexpected costs may reduce profit or cause the Company to sustain losses on the contract. In a fixed-price contract, the Company must fully absorb cost overruns, notwithstanding the difficulty of estimating all of the costs the Company will incur in performing these contracts and in projecting the ultimate level of revenue that may otherwise be achieved.

Failure to anticipate technical problems, estimate delivery reductions, estimate costs accurately or control costs during performance of a fixed-price contract may reduce the profitability of a fixed-price contract or cause a loss. The Company believes that it has recognized adequate provisions in the financial statements for losses on fixed-price contracts, but cannot be certain that the contract loss provisions will be adequate to cover all actual future losses.

Included in net sales of the Aerostructures Group is the non-cash amortization of acquired contract liabilities recognized as fair value adjustments through purchase accounting of the acquisition of Vought. For the three months ended September 30, 2011 and 2010, the Company recognized $5,770 and $8,722, respectively, into net sales in the accompanying consolidated statements of income. For the six months ended September 30, 2011 and 2010, the Company recognized $13,510 and $9,581, respectively, into net sales in the accompanying consolidated statements of income.

The Aftermarket Services Group provides repair and overhaul services, a small portion of which services are provided under long-term power-by-the-hour contracts. The Company applies the proportional performance method to recognize revenue under these contracts. Revenue is recognized over the contract period as units are delivered based on the relative value in proportion to the total estimated contract consideration. In estimating the total contract consideration, management evaluates the projected utilization of its customers' fleet over the term of the contract, in connection with the related estimated repair and overhaul servicing requirements to the fleet based on such utilization. Changes in utilization of the fleet by customers, among other factors, may have an impact on these estimates and require adjustments to estimates of revenue to be realized.

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Triumph Group, Inc.
Notes to Consolidated Financial Statements
(dollars in thousands, except per share data)
(unaudited)
2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Concentration of Credit Risk

The Company's trade accounts receivable are exposed to credit risk. However, the risk is limited due to the diversity of the customer base and the customer base's wide geographical area. Trade accounts receivable from The Boeing Company ("Boeing") (representing commercial, military and space) represented approximately 33% and 32% of total trade accounts receivable as of September 30, 2011 and March 31, 2011, respectively. The Company had no other significant concentrations of credit risk. Sales to Boeing for the six months ended September 30, 2011 were $745,957, or 46% of net sales, of which $702,331, $31,002 and $12,624 were from the Aerostructures segment, the Aerospace Systems segment and Aftermarket Services segment, respectively. Sales to Boeing for the six months ended September 30, 2010 were $494,518, or 42% of net sales, of which $447,597, $29,216 and $17,705 were from the Aerostructures segment, the Aerospace Systems segment and Aftermarket Services segment, respectively. No other single customer accounted for more than 10% of the Company's net sales. However, the loss of any significant customer, including Boeing, could have a material adverse effect on the Company and its operating subsidiaries.

Stock-Based Compensation

The Company recognizes compensation expense for share-based awards based on the fair value of those awards at the date of grant. Stock-based compensation expense for the three months ended September 30, 2011 and 2010 was $1,199 and $841, respectively. Stock-based compensation expense for the six months ended September 30, 2011 and 2010 was $2,397 and $1,482, respectively. The benefits of tax deductions in excess of recognized compensation expense were $0 and $251 for the six months ended September 30, 2011 and 2010, respectively. The Company has classified share-based compensation within selling, general and administrative expenses to correspond with the same line item as the majority of the cash compensation paid to employees. Upon the exercise of stock options or vesting of restricted stock, the Company first transfers treasury stock, then will issue new shares.

Intangible Assets

The components of intangible assets, net, are as follows:

	September 30, 2011				
	Weighted-Average Life	Gross Carrying Amount	Accumulated Amortization		Net
Customer relationships	16.4	$455,944	$(55,278	)	$400,666
Product rights and licenses	12.0	73,739	(58,405	)	15,334
Non-compete agreements and other	12.7	13,239	(11,737	)	1,502
Tradename	Indefinite-lived	425,000	—		425,000
Total intangibles, net		$967,922	$(125,420	)	$842,502

	March 31, 2011				
	Weighted-Average Life	Gross Carrying Amount	Accumulated Amortization		Net
Customer relationships	16.4	$456,282	$(40,657	)	$415,625
Product rights and licenses	12.0	73,739	(56,640	)	17,099

Non-compete agreements and other	12.7	13,239	(11,343)	1,896
Tradename	Indefinite-lived	425,000	—	425,000
Total intangibles, net		$968,260	$(108,640)	$859,620

Amortization expense for the three and six months ended September 30, 2011 and 2010 was $8,441 and $16,893 and $7,779 and $11,245, respectively.

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Triumph Group, Inc.
Notes to Consolidated Financial Statements
(dollars in thousands, except per share data)
(unaudited)
2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Supplemental Cash Flow Information

The Company paid $1,273 and $2,162 for income taxes, net of refunds received for the six months ended September 30, 2011 and 2010, respectively. The Company made interest payments of $39,181 and $31,407 for the six months ended September 30, 2011 and 2010, respectively, including $12,401 of interest on debt assumed in the acquisition of Vought (Note 3) during the six months ended September 30, 2010.

During the six months ended September 30, 2011 and 2010, the Company financed $61 and $6,845 of property and equipment additions through capital leases, respectively. During the six months ended September 30, 2011, the Company issued 379,838 shares in connection with certain redemptions of convertible senior subordinated notes (Note 6). During the six months ended September 30, 2010, the Company issued 14,992,330 shares valued at $504,867 as partial consideration for the acquisition of Vought (Note 3).

3. ACQUISITIONS
Vought Aircraft Industries, Inc.

On June 16, 2010, the Company acquired by merger all of the outstanding shares of Vought, now operating as Triumph Aerostructures-Vought Commercial Division, Triumph Aerostructures-Vought Integrated Programs Division, and Triumph Structures – Everett, for cash and stock consideration. The acquisition of Vought establishes the Company as a leading global manufacturer of aerostructures for commercial, military and business jet aircraft.

Recording of assets acquired and liabilities assumed: The following condensed balance sheet represents the amounts assigned to each major asset and liability caption in the aggregate for the acquisition of Vought:

	June 16, 2010
Cash and cash equivalents	$214,833
Trade and other receivables	165,789
Inventory	410,279
Prepaid expenses and other	4,850
Property and equipment	375,229
Goodwill	1,026,763
Intangible assets	807,000
Deferred tax assets	244,895
Other assets	384
Total assets	$3,250,022
Accounts payable	$143,995
Accrued expenses	269,492
Deferred tax liabilities	4,674
Debt	590,710
Acquired contract liabilities, net	124,548
Accrued pension and other postretirement benefits, noncurrent	993,189
Other noncurrent liabilities	70,597

Total liabilities	$2,197,205

The recorded amounts for assets and liabilities were completed as of June 15, 2011. The measurement period adjustments recorded in the first quarter of fiscal 2012 did not have a significant impact on the Company's consolidated balance sheet, statements of income, or statements of cash flows.

Pro forma impact of the acquisition: The unaudited pro forma results presented below include the effects of the acquisition of Vought as if it had been consummated as of April 1, 2010. The pro forma results include the amortization associated with acquired intangible assets and interest expense associated with debt used to fund the acquisition, as well as fair value adjustments for property and equipment, off-market contracts and favorable leases. To better reflect the combined operating results, material nonrecurring charges directly attributable to the transaction have been excluded. In addition, the pro forma results do not include any anticipated synergies or other expected benefits of the acquisition. Accordingly, the unaudited pro forma results are not necessarily indicative of either future results of operations or results that might have been achieved had the acquisition been consummated as of April 1, 2010.

	Six Months Ended September 30, 2010
Net sales	$1,539,474
Income from continuing operations	55,989
Income from continuing operations – basic	$1.16
Income from continuing operations – diluted	$1.12

The unaudited pro forma information includes adjustments for interest expense that would have been incurred to finance the purchase, additional depreciation based on the estimated fair market value of the property and equipment acquired, and the amortization of the intangible assets arising from the transaction. The unaudited pro forma financial information is not necessarily indicative of the results of operations of the Company as it would have been had the transaction been effected on the assumed date.

4. DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

In September 2007, the Company decided to sell Triumph Precision Castings Co., a casting facility in its Aftermarket Services segment that specializes in producing high-quality hot gas path components for aero and land-based gas turbines.

In July 2011, the Company completed the sale of Triumph Precision Castings Co. for proceeds of $3,902, plus contingent consideration, resulting in no gain or loss on the disposal.

Revenues of discontinued operations were $40 and $286, and $478 and $958 for the three and six months ended September 30, 2011 and 2010, respectively. The loss from discontinued operations was $76 and $765, and $281 and $489, net of income tax benefit of $42 and $412, and $152 and $263 for the three and six ended September 30, 2011 and 2010, respectively. Interest expense of $6 and $68, and $64 and $127 was allocated to discontinued operations for the three and six months ended September 30, 2011 and 2010, respectively, based upon the actual borrowings of the operations, and such interest expense is included in the loss from discontinued operations.

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Triumph Group, Inc.
Notes to Consolidated Financial Statements
(dollars in thousands, except per share data)
(unaudited)
4. DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE (Continued)

Assets and liabilities held for sale are comprised of the following: