

ASTRO MED INC /NEW/
Form 10-Q
August 31, 2012
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended July 28, 2012

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 0-13200

Astro-Med, Inc.

(Exact name of registrant as specified in its charter)

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Rhode Island
(State or other jurisdiction of
incorporation or organization)

05-0318215
(I.R.S. Employer
Identification No.)

600 East Greenwich Avenue, West Warwick, Rhode Island
(Address of principal executive offices)

02893
(Zip Code)

(401) 828-4000

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No .

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No .

Indicate by check mark whether the registrant is a large accelerated filer or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) Yes No .

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

Common Stock, \$.05 Par Value 7,441,490 shares

(excluding treasury shares) as of August 24, 2012

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Table of Contents**Part I. FINANCIAL INFORMATION****Item 1. Financial Statements****ASTRO-MED, INC.****CONDENSED CONSOLIDATED BALANCE SHEETS****(Unaudited)**

	July 28, 2012	January 31, 2012
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 11,149,600	\$ 11,703,621
Securities Available for Sale	11,366,388	11,335,924
Accounts Receivable, net	11,577,674	11,800,481
Inventories	13,946,054	14,128,599
Deferred Tax Assets	2,388,132	2,618,578
Line of Credit Receivable	300,000	
Prepaid Expenses and Other Current Assets	962,769	891,047
Total Current Assets	51,690,617	52,478,250
PROPERTY, PLANT AND EQUIPMENT		
Less Accumulated Depreciation	(27,307,352)	(26,705,341)
Property, Plant and Equipment, net	10,763,175	11,170,730
OTHER ASSETS		
Goodwill	2,336,721	2,336,721
Notes Receivable	907,200	969,700
Other	106,167	106,735
Total Other Assets	3,350,088	3,413,156
TOTAL ASSETS	\$ 65,803,880	\$ 67,062,136
LIABILITIES AND SHAREHOLDERS EQUITY		
CURRENT LIABILITIES		
Accounts Payable	\$ 2,142,600	\$ 2,540,116
Accrued Compensation	2,456,958	3,228,728
Other Accrued Expenses	1,565,168	1,807,675
Deferred Revenue	566,525	623,223
Income Taxes Payable	85,235	72,725
Total Current Liabilities	6,816,486	8,272,467
Deferred Tax Liabilities	1,774,568	1,894,104
Other Long Term Liabilities	858,661	1,232,699
TOTAL LIABILITIES	9,449,715	11,399,270
SHAREHOLDERS EQUITY		
	450,164	447,829

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Common Stock, \$.05 Par Value, Authorized 13,000,000 shares; Issued 9,003,189 and 8,956,488 shares at July 28, 2012 and January 31, 2012, respectively

Additional Paid-In Capital	38,304,635	37,964,204
Retained Earnings	28,701,885	27,919,367
Treasury Stock, at Cost, 1,563,214 and 1,542,276 shares at July 28, 2012 and January 31, 2012, respectively	(10,966,237)	(10,789,805)
Accumulated Other Comprehensive Income	(136,282)	121,271
Total Shareholders' Equity	56,354,165	55,662,866
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 65,803,880	\$ 67,062,136

See Notes to condensed consolidated financial statements (unaudited).

Table of Contents**ASTRO-MED, INC.****CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS****(Unaudited)**

	Three Months Ended		Six Months Ended	
	July 28, 2012	July 30, 2011	July 28, 2012	July 30, 2011
Net Sales	\$ 19,572,354	\$ 20,335,676	\$ 37,997,129	\$ 39,195,665
Cost of Sales	11,273,411	12,434,648	22,327,225	23,793,350
Gross Profit	8,298,943	7,901,028	15,669,904	15,402,315
Costs and Expenses:				
Selling and Marketing	4,298,151	4,526,112	8,541,732	9,091,650
General and Administrative	1,115,029	964,210	2,151,643	1,875,141
Research and Development	1,207,832	1,187,406	2,411,327	2,655,268
Operating Expenses	6,621,012	6,677,728	13,104,702	13,622,059
Operating Income	1,677,931	1,223,300	2,565,202	1,780,256
Other Income (Expense)	(88,925)	296,962	(103,028)	447,282
Income Before Income Taxes	1,589,006	1,520,262	2,462,174	2,227,538
Income Tax Provision	602,233	474,423	638,586	750,260
Net Income	\$ 986,773	\$ 1,045,839	\$ 1,823,588	\$ 1,477,278
Net Income per Common Share:				
Basic	\$ 0.13	\$ 0.14	\$ 0.25	\$ 0.20
Diluted	\$ 0.13	\$ 0.14	\$ 0.24	\$ 0.20
Weighted Average Number of Shares Outstanding:				
Basic	7,439,225	7,292,986	7,432,158	7,280,211
Diluted	7,491,160	7,445,536	7,488,985	7,423,539
Dividends Declared Per Common Share	\$ 0.07	\$ 0.07	\$ 0.14	\$ 0.14

See Notes to condensed consolidated financial statements (unaudited).

Table of Contents**ASTRO-MED, INC.****CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME****(Unaudited)**

	Three Months Ended		Six Months Ended	
	July 28, 2012	July 30, 2011	July 28, 2012	July 30, 2011
Net Income	\$ 986,773	\$ 1,045,839	\$ 1,823,588	\$ 1,477,278
Other Comprehensive Income (Loss), Net of Taxes and Reclassification Adjustments:				
Foreign Currency Translation Adjustments	(301,643)	(149,686)	(250,708)	233,324
Unrealized Holding Gain (Loss) Arising During the Period	(2,124)	(219)	(6,845)	8,105
Other Comprehensive Income (Loss)	(303,767)	(149,905)	(257,553)	241,429
Comprehensive Income	\$ 683,006	\$ 895,934	\$ 1,566,035	\$ 1,718,707

See Notes to condensed consolidated financial statements (unaudited).

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	Six Months Ended	
	July 28, 2012	July 30, 2011
Cash Flows from Operating Activities:		
Net Income	\$ 1,823,588	\$ 1,477,278
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	687,469	816,251
Share-Based Compensation	125,460	118,246
Deferred Income Tax Provision	110,910	20,375
Life Insurance Proceeds Receivable		(301,697)
Changes in Assets and Liabilities:		
Accounts Receivable	222,807	(1,387,801)
Inventories	182,545	502,134
Income Taxes	(220,772)	480,959
Accounts Payable and Accrued Expenses	(1,468,491)	(505,154)
Other	(357,888)	(27,441)
 Net Cash Provided by Operating Activities	 1,105,628	