

Edgar Filing: ENGINEERED SUPPORT SYSTEMS INC - Form 10-Q

ENGINEERED SUPPORT SYSTEMS INC
Form 10-Q
March 16, 2001

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10-Q

Quarterly Report under Section 13 or 15 (d)

of the Securities Exchange Act of 1934

For the three months ended January 31, 2001 Commission file number 0-13880

ENGINEERED SUPPORT SYSTEMS, INC.

(Exact name of Registrant as specified in its charter)

Missouri
(State of Incorporation)

43-1313242
(IRS Employer Identification Number)

201 Evans Lane, St. Louis, Missouri
(Address of principal executive offices)

63121
(Zip Code)

Registrant's telephone number including area code: (314) 553-4000

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
--- ---

The number of shares of the Registrant's common stock, \$.01 par value, outstanding at February 28, 2001 was 7,370,441.

ENGINEERED SUPPORT SYSTEMS, INC.

INDEX

Page

Part I - Financial Information

Item 1. Financial Statements

Condensed Consolidated Balance Sheets as of January 31, 2001 and
October 31, 2000

3

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Condensed Consolidated Statements of Income for the three months ended January 31, 2001 and 2000	4
Condensed Consolidated Statements of Cash Flows for the three months ended January 31, 2001 and 2000	5
Notes to Condensed Consolidated Financial Statements	6
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	10
Part II - Other Information	
Items 1-6	13
Signatures	14
Exhibits	15

2

ENGINEERED SUPPORT SYSTEMS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except per share amounts)

	January 31 2001	October 31 2000
	-----	-----
	(UNAUDITED)	
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 6,232	\$ 719
Accounts receivable	29,087	33,964
Contracts in process and inventories	59,200	57,465
Other current assets	10,418	10,727
Total Current Assets	----- 104,937	----- 102,875
Property, plant and equipment, less accumulated depreciation of \$24,075 and \$22,432	55,927	56,883
Goodwill, less accumulated amortization of \$6,411 and \$5,649	73,815	74,577
Other assets	3,972	4,017
Total Assets	----- \$ 238,651 =====	----- \$ 238,352 =====

LIABILITIES AND SHAREHOLDERS' EQUITY

Current Liabilities

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Notes payable	\$ 24,000	\$ 16,300
Current maturities of long-term debt	18,038	17,038
Accounts payable	19,955	26,826
Other current liabilities	24,721	25,654
	-----	-----
Total Current Liabilities	86,714	85,818
Long-term debt	57,778	63,028
Other liabilities	11,043	10,575
ESOP guaranteed bank loan		431
Shareholders' Equity		
Common stock, par value \$.01 per share; 10,000 shares authorized; 8,356 and 8,298 shares issued	84	83
Additional paid-in capital	50,291	49,365
Retained earnings	47,279	43,571
Accumulated other comprehensive loss	(468)	
	-----	-----
	97,186	93,019
Less ESOP guaranteed bank loan		431
Less treasury stock at cost, 1,037 and 1,042 shares	14,070	14,088
	-----	-----
	83,116	78,500
	-----	-----
Total Liabilities and Shareholders' Equity	\$ 238,651	\$ 238,352
	=====	=====

See notes to condensed consolidated financial statements.

ENGINEERED SUPPORT SYSTEMS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share amounts)
(UNAUDITED)

	Three Months Ended January 31	
	2001	2000
	-----	-----
Net revenues	\$ 91,101	\$ 86,526
Cost of revenues	73,131	70,467
	-----	-----
Gross profit	17,970	16,059
Selling, general and administrative expense	9,588	9,310
	-----	-----
Income from operations	8,382	6,749

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Interest expense	(2,071)	(2,470)
Interest income	93	11
Loss on sale of assets	(3)	
	-----	-----
Income before income taxes	6,401	4,290
Income tax provision	2,560	1,716
	-----	-----
Net income	\$ 3,841	\$ 2,574
	=====	=====
Basic earnings per share (1)	\$ 0.42	\$ 0.30
	=====	=====
Diluted earnings per share (1)	\$ 0.40	\$ 0.29
	=====	=====

See notes to condensed consolidated financial statements.