

ASTRO MED INC /NEW/

FORM 8-K (Current report filing)

Filed 11/14/2006 For Period Ending 11/14/2006

Address	600 E GREENWICH AVE WEST WARWICK, Rhode Island 02893
Telephone	401-828-4000
CIK	0000008146
Industry	Computer Peripherals
Sector	Technology
Fiscal Year	01/31

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UNITED STATES 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)**

November 14, 2006

ASTRO-MED, INC
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

COMMISSION FILE NUMBER 0-13200

RHODE ISLAND
(STATE OR OTHER JURISDICTION OF
INCORPORATION OR ORGANIZATION)

05-0318215
(IRS EMPLOYER IDENTIFICATION
NUMBER)

600 EAST GREENWICH AVENUE, WEST WARWICK, RI 02893
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES, INCLUDING ZIP CODE)

(401-828-4000)
(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On November 14, 2006, Astro-Med, Inc. (the "Company") issued a press release in which it disclosed unaudited financial information related to third quarter consolidated earnings. A copy of the press release relating to such announcement, dated November 14, 2006, is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

This information shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibit

Exhibit no.	Exhibit
99.1	Press Release dated November 14, 2006

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned thereunto duly authorized.

DATE: November 14, 2006

ASTRO-MED, INC.

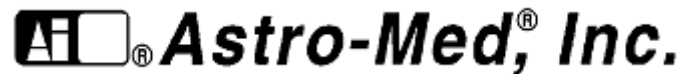
By: /s/ Joseph P. O'Connell

Joseph P. O'Connell
Vice President, Treasurer and Chief Financial Officer

INDEX TO EXHIBITS

<u>Exhibit No.</u>	<u>Exhibit</u>
99.1	Press Release Dated November 14, 2006

PRESS RELEASE



600 East Greenwich Avenue
West Warwick, Rhode Island 02893

For Immediate Release

Contact: Albert W. Ondis
Joseph P. O'Connell
Astro-Med, Inc.
(401) 828-4000
www.astro-medinc.com

November 14, 2006

Astro-Med Reports Record Third Quarter Earnings; Directors Declare Regular Cash Dividend

West Warwick, RI, November 14, 2006 -- Astro-Med, Inc. (NASDAQ:ALOT) reports net income of \$3,977,000, equal to 53 cents per diluted share, on sales of \$16,043,000 for the Third Quarter ended October 28, 2006. Net income in the quarter includes a gain of \$3,125,000 after taxes and related costs, equal to 42 cents per diluted share on the sale of the Company's excess real estate. Excluding the real estate related gain, net income in the Third Quarter was \$852,000, equal to 11 cents per diluted share. Net income in the quarter includes an expense of approximately \$93,000, after tax, equal to 1 cent per diluted share for stock-based compensation as well as a tax benefit of \$231,000, or 3 cents per diluted share due to favorable adjustments identified in the filing of the prior year tax return.

During the corresponding period of the previous year, the Company reported net income of \$674,000, equal to 9 cents per diluted share, on sales of \$14,455,000. Net income in the prior year fiscal quarter includes \$361,000, equal to 5 cents per diluted share, for a tax-related benefit due to the favorable resolution of certain income tax examinations.

For the nine-month period of the current fiscal year, net income was \$5,260,000 equal to 71 cents per diluted share, on sales of \$47,951,000. Excluding the real estate related gain, earnings were \$2,135,000, equal to 29 cents per diluted share. Net income for the nine-month period includes an expense of approximately \$266,000, after tax, equal to 4 cents per share, for stock-based compensation as well as \$231,000, or 3 cents per diluted share, related to favorable adjustments noted above.

For the corresponding period of the prior year, the Company reported net income of \$1,694,000, equal to 23 cents per diluted share, on sales of \$43,297,000. Net income in the prior year includes \$361,000, equal to 5 cents per diluted share, for a tax related benefit due to the favorable resolution of certain income tax examinations.

Commenting on the results, Albert W. Ondis, Chief Executive Officer stated: "The Company continued its positive and upward performance during the Third Quarter. New Bookings of \$16,008,000 were up 12% over the previous year with strong customer demand evident for all products. Sales reached double digit growth in the quarter with

Revenues at \$16,043,000, rising 11% over the prior year. Our backlog remains healthy at \$7,666,000, a 38% increase from year end. During the Third Quarter we successfully concluded the profitable sale of our excess real estate, relocated our Grass Technologies operation to a more appropriate lower cost facility, and consequently added \$5.2 million to our cash balances. Operating Income excluding the gain related to the sale of the real estate in the Third Quarter was \$628,000, a 31% improvement over the same quarter of the previous year and we achieved a record Quarterly Net Income of \$3,977,000 equal to 53 cents per diluted share. Our Balance Sheet remains strong, bolstered by an improvement in our Accounts Receivable Days Sales Outstanding, and we maintain a healthy liquidity ratio of 4:07 to 1. All signs continue to point upwards and we remain optimistic about the Company's prospects for the balance of the current fiscal year."

On November 13, 2006, the Directors of Astro-Med declared the regular quarterly cash dividend of 5 cents per share payable on January 2, 2007 to shareholders of record on December 8, 2006.

The Third Quarter conference call will be held today, Tuesday, November 14, 2006 at 5:00 PM EST. It will be broadcast in real time on the Internet through the Investor Relations portion of our website at www.astro-medinc.com. We invite you to log on and listen in on November 14th, or access the broadcast any time for up to 5 days following the event.

Astro-Med, Inc. is a leading manufacturer of high tech specialty printing systems, electronic medical instrumentation, and test and measurement instruments employed around the world in a wide range of industrial, scientific, and medical applications.

ASTRO-MED, INC.

Consolidated Statement of Operations In Thousands Except for Per Share Data (Unaudited)

	Three-Months Ended		Nine-Months Ended	
	October 28, 2006	October 29, 2005	October 28, 2006	October 29, 2005
Net Sales	\$16,043	\$14,455	\$47,951	\$43,297
Gross Profit	6,427 40.1%	5,784 40.0%	19,699 41.1%	17,803 41.1%
Operating Expenses:				
Selling, General & Administrative	4,819	4,317	14,365	12,971
Research & Development	980	987	2,977	2,932
	5,799	5,304	17,342	15,903
Gain on Sale of Real Estate, Net	5,252	-	5,252	-
Operating Income	5,880 36.6%	480 3.3%	7,609 15.9%	1,900 4.4%
Other Income, Net	348	17	689	216
Income Before Taxes	6,228	497	8,298	2,116
Income Tax Benefit (Provision)	(2,251)	177	(3,038)	(422)
Net Income	<u>\$3,977</u>	<u>\$ 674</u>	<u>\$5,260</u>	<u>\$ 1,694</u>
Net Income Per Share - Basic	<u>\$ 0.59</u>	<u>\$ 0.10</u>	<u>\$0.78</u>	<u>\$ 0.25</u>

Net Income Per Share - Diluted	\$ 0.53	\$ 0.09	\$0.71	\$ 0.23
Weighted Average Number of Common Shares - Basic	6,693	6,619	6,712	6,603
Weighted Average Number of Common Shares - Diluted	7,439	7,334	7,379	7,212
Dividends Declared Per Common Share	\$ 0.05	\$ 0.03	\$0.15	\$ 0.10

Selected Balance Sheet Data
In Thousands Except for Per Share Data
(Unaudited)

	<u>As of</u> <u>October 28, 2006</u>	<u>As of</u> <u>January 31,</u> <u>2006</u>
Cash & Marketable Securities	\$21,367	\$14,724
Current Assets	47,166	39,662
Total Assets	57,286	49,647
Current Liabilities	11,456	8,440
Shareholders' Equity	\$44,889	\$40,302

Reconciliation of Non-Gap Financial Information

In an effort to provide investors information regarding the Company's results, the Company disclosed certain Non-GAAP information which management believes provides useful information to the investor.

A reconciliation of net income and net income per diluted share as reported under GAAP to the pro forma net income and pro forma net income per diluted share excluding the gain related to the sale of certain real estate for the three-months and nine-months ended October 28, 2006 are as follows:

	<u>GAAP Basis</u>	<u>Real Estate</u> <u>Transaction</u>	<u>Pro Forma Basis</u>
Three-Months			
Operating Income	\$5,880	\$5,252	\$628
Other Income, Net	348	-	348
Income Tax Provision	<u>(2,251)</u>	<u>(2,127)</u>	<u>(124)</u>
Net Income	\$3,977	\$3,125	\$852
Net Income Per Share - Diluted	\$0.53	\$0.42	\$0.11
Nine-Months			
Operating Income	\$7,609	\$5,252	\$2,357
Other Income, Net	689	-	689
Income Tax Provision	<u>(3,038)</u>	<u>(2,127)</u>	<u>(911)</u>
Net Income	\$5,260	\$3,125	\$2,135
Net Income Per Share - Diluted	\$0.71	\$0.42	\$0.29

Safe Harbor Statement

This news release contains forward-looking statements, and actual results may vary from those expressed or implied herein. Factors that could affect these results include those mentioned in Astro-Med's FY2006 annual report and its annual and quarterly filings with the Securities and Exchange Commission.