

PARK ELECTROCHEMICAL CORP  
Form 10-Q  
October 11, 2013  
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 14(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 1, 2013

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 1-4415

PARK ELECTROCHEMICAL CORP.

(Exact Name of Registrant as Specified in Its Charter)

New York  
(State or Other Jurisdiction of

11-1734643  
(I.R.S. Employer

Edgar Filing: PARK ELECTROCHEMICAL CORP - Form 10-Q

Incorporation or Organization) Identification No.)

**48 South Service Road, Melville, N.Y. 11747**  
(Address of Principal Executive Offices) (Zip Code)

**(631) 465-3600**  
(Registrant's Telephone Number,  
Including Area Code)

**Not Applicable**  
(Former Name, Former Address  
and Former Fiscal Year,  
if Changed Since Last Report)

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 Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T 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, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" 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: 20,851,843 as of October 7, 2013.



**PARK ELECTROCHEMICAL CORP. AND SUBSIDIARIES**

**TABLE OF CONTENTS**

	<u>Page</u>
<b>PART I. FINANCIAL INFORMATION:</b>	
	<u>Number</u>
<b>Item 1. Financial Statements</b>	
Condensed Consolidated Balance Sheets September 1, 2013 (Unaudited) and March 3, 2013	3
Consolidated Statements of Operations 13 weeks and 26 weeks ended September 1, 2013 and August 26, 2012 (Unaudited)	4
Consolidated Statements of Comprehensive Income 13 weeks and 26 weeks ended September 1, 2013 and August 26, 2012 (Unaudited)	5
Condensed Consolidated Statements of Cash Flows 26 weeks ended September 1, 2013 and August 26, 2012 (Unaudited)	6
Notes to Consolidated Financial Statements (Unaudited)	7
<b>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</b>	15
Factors That May Affect Future Results	23
<b>Item 3. Quantitative and Qualitative Disclosures About Market Risk</b>	24
<b>Item 4. Controls and Procedures</b>	24
<b>PART II. OTHER INFORMATION:</b>	
<b>Item 1. Legal Proceedings</b>	24
<b>Item 1A. Risk Factors</b>	24
<b>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</b>	25
<b>Item 3. Defaults Upon Senior Securities</b>	25
<b>Item 4. Mine Safety Disclosures</b>	25
<b>Item 5. Other Information</b>	25

<b>Item 6. Exhibits</b>	<b>26</b>
<b>SIGNATURES</b>	<b>27</b>
<b>EXHIBIT INDEX</b>	<b>28</b>

**PART I. FINANCIAL INFORMATION****Item I. Financial Statements.****PARK ELECTROCHEMICAL CORP. AND SUBSIDIARIES****CONDENSED CONSOLIDATED BALANCE SHEETS****(Amounts in thousands)**

	<b>September 1, 2013</b>	<b>March 3, 2013*</b>
	<b>(Unaudited)</b>	
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 109,935	\$ 186,117
Marketable securities (Note 3)	174,189	89,099
Accounts receivable, less allowance for doubtful accounts of \$425 and \$423, respectively	25,532	25,878
Inventories (Note 4)	14,299	12,918
Prepaid expenses and other current assets (Note 9)	8,879	6,662
<b>Total current assets</b>	<b>332,834</b>	<b>320,674</b>
Property, plant and equipment, net	30,821	32,187
Goodwill and other intangible assets	9,854	9,854
Other assets	6,995	6,943
<b>Total Assets</b>	<b>\$ 380,504</b>	<b>\$ 369,658</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 6,395	\$ 6,485
Accrued liabilities (Note 6)	6,578	6,016
Income taxes payable	4,790	4,177
<b>Total current liabilities</b>	<b>17,763</b>	<b>16,678</b>
Long-term debt (Note 5)	52,000	52,000
Deferred income taxes	761	812
Other liabilities	246	246

<b>Total liabilities</b>	<b>70,770</b>	<b>69,736</b>
Commitments and contingencies (Note 11)		
Shareholders' equity:		
Common stock	2,083	2,083
Additional paid in capital	159,634	158,790
Retained earnings	147,321	138,514
Accumulated other comprehensive income	790	629
	<b>309,828</b>	<b>300,016</b>
Less treasury stock, at cost	(94	) (94 )
<b>Total shareholders' equity</b>	<b>309,734</b>	<b>299,922</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 380,504</b>	<b>\$ 369,658</b>

\*The balance sheet at March 3, 2013 has been derived from the audited financial statements at that date.

See accompanying Notes to the Consolidated Financial Statements (Unaudited).

**PARK ELECTROCHEMICAL CORP. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF OPERATIONS**

(Amounts in thousands, except per share amounts)

---

	<b>13 Weeks Ended</b>		<b>26 Weeks Ended</b>	
	<b>(Unaudited)</b>		<b>(Unaudited)</b>	
	<b>September</b>	<b>August</b>	<b>September</b>	<b>August</b>
	<b>1,</b>	<b>26,</b>	<b>1,</b>	<b>26,</b>
	2013	2012	2013	2012
Net sales	\$44,497	\$46,430	\$87,935	\$92,476
Cost of sales	30,876	33,231	61,323	66,301
<b>Gross profit</b>	<b>13,621</b>	<b>13,199</b>		