

IEC ELECTRONICS CORP
Form 10-Q
July 30, 2008

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended June 27, 2008

Commission File Number 0-6508

IEC ELECTRONICS CORP.

(Exact name of registrant as specified in its charter.)

Delaware
(State or other jurisdiction of
incorporation or organization)

13-3458955
(I.R.S. Employer Identification No.)

105 Norton Street, Newark, New York 14513
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (315) 331-7742

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 is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "large accelerated filer", "accelerated filer", and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer
Non-Accelerated filer

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 practical date:

Common Stock, \$0.01 Par Value - 9,289,329 shares as of July 28, 2008.

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Part 1. Financial Information
Item 1 — Financial Statements

IEC ELECTRONICS CORP. AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
JUNE 27, 2008 AND SEPTEMBER 30, 2007
(in thousands)

	JUNE 27, 2008	SEPTEMBER 30, 2007
	(Unaudited)	
ASSETS		
CURRENT ASSETS:		
Cash	\$ -	\$ -
Accounts receivable (net of allowance for Doubtful accounts of \$158 and \$100 respectively)	9,185	6,185
Inventories	6,939	3,326
Other current assets	59	75
Total current assets	16,183	9,586
FIXED ASSETS:		
Land and land improvements	743	704
Building and improvements	4,165	4,134
Machinery and equipment	8,559	22,626
Furniture and fixtures	4,025	4,262
SUB-TOTAL GROSS PROPERTY	17,492	31,726
LESS ACCUMULATED DEPRECIATION	(16,937)	(30,123)
	555	1,603
LONG TERM ASSETS:		
Deferred Income Tax Asset	8,802	640
Other Non-current Assets	64	16
Total Long-Term Assets	8,866	656
TOTAL ASSETS	\$ 25,604	\$ 11,845
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Short term borrowings	\$ 7,708	\$ 1,325
Accounts payable	4,553	4,937
Accrued payroll and related expenses	677	628
Other accrued expenses	577	366
Total current liabilities	13,515	7,256
LONG TERM LIABILITIES:		
Long Term Debt - Notes Payable	3,175	3
Long Term Debt - Term Loan	1,516	423
Total Long Term Liabilities	4,691	426
TOTAL LIABILITIES	18,206	7,682
SHAREHOLDERS' EQUITY:		
Preferred stock, \$.01 par value, Authorized - 500,000 shares; None issued or outstanding	-	-
Common stock, \$.01 par value, Authorized - 50,000,000 shares; Issued - 9,285,995 and 8,670,030 shares	93	87
Treasury Shares at Cost 412,873 and 412,873 Shares, Respectively	(223)	(223)

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Additional paid-in capital	40,061	38,794
Accumulated deficit	(32,533)	(34,495)
Total shareholders' equity	7,398	4,163
	\$ 25,604	\$ 11,845

The accompanying notes are an integral part of these financial statements.

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IEC ELECTRONICS CORP. AND SUBSIDIARY
 CONSOLIDATED STATEMENTS OF OPERATIONS
 FOR THE THREE MONTHS ENDED JUNE 27, 2008 AND JUNE 29, 2007
 (in thousands, except share and per share data)

	3 MONTHS ENDED JUNE 27, 2008 (Unaudited)	3 MONTHS ENDED JUNE 29, 2007 (Unaudited)
Net sales	\$ 11,888	\$ 11,165
Cost of sales	10,475	9,850
Gross profit	1,413	1,315
Selling and administrative expenses	828	821
Operating profit	585	494
Interest and financing expense	(106)	(91)
Other Income (Expense)	(302)	-
Net In		