

ALLIED HEALTHCARE PRODUCTS INC
Form 10-Q
February 10, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 December 31, 2008

- 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 0-19266

ALLIED HEALTHCARE PRODUCTS, INC.

1720 Sublette Avenue
St. Louis, Missouri 63110
314/771-2400
IRS Employment ID 25-1370721

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 twelve months (or for such shorter periods that the registrant was required to file such reports, and (2) has been subject to such filing requirements for the past ninety days.

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 <input type="checkbox"/>	Accelerated filer <input type="checkbox"/>
Non-accelerated filer <input type="checkbox"/>	Smaller reporting company <input checked="" type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

The number of shares of common stock outstanding at February 2, 2009 is 7,901,327 shares.

INDEX

		Page Number
Part I –	Financial Information	
	Item 1.	
	Financial Statements	
	Consolidated Statement of Operations - Three and six months ended December 31, 2008 and 2007 (Unaudited)	3
	Consolidated Balance Sheet - December 31, 2008 (Unaudited) and June 30, 2008	4 - 5
	Consolidated Statement of Cash Flows - Six months ended December 31, 2008 and 2007 (Unaudited)	6
	Notes to Consolidated Financial Statements	7 - 10
	Item 2.	
	Management’s Discussion and Analysis of Financial Condition and Results of Operations	10 - 16
	Item 3.	
	Quantitative and Qualitative Disclosure about Market Risk	16
	Item 4T.	
	Controls and Procedures	16
Part II -	Other Information	
	Item 6.	
	Exhibits	17
	Signature	18

SAFE HARBOR" STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

Statements contained in this Report, which are not historical facts or information, are "forward-looking statements." Words such as "believe," "expect," "intend," "will," "should," and other expressions that indicate future events and trends identify such forward-looking statements. These forward-looking statements involve risks and uncertainties, which could cause the outcome and future results of operations, and financial condition to be materially different than stated or anticipated based on the forward-looking statements. Such risks and uncertainties include both general economic risks and uncertainties, risks and uncertainties affecting the demand for and economic factors affecting the delivery of health care services, and specific matters which relate directly to the Company's operations and properties as discussed in the Company's annual report on Form 10-K for the year ended June 30, 2008. The Company cautions that any forward-looking statements contained in this report reflects only the belief of the Company or its management at the time the statement was made. Although the Company believes such forward-looking statements are based upon reasonable assumptions, such assumptions may ultimately prove inaccurate or incomplete. The Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement was made.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

ALLIED HEALTHCARE PRODUCTS, INC.
CONSOLIDATED STATEMENT OF OPERATIONS
(UNAUDITED)

	Three months ended December 31,		Six months ended December 31,	
	2008	2007	2008	2007
Net sales	\$ 12,531,342	\$ 13,626,016	\$ 26,972,353	\$ 27,727,634
Cost of sales	9,821,746	10,714,172	20,761,703	21,648,777
Gross profit	2,709,596	2,911,844	6,210,650	6,078,857
Selling, general and administrative expenses	3,400,342	2,932,428	6,583,929	5,975,398
Income (loss) from operations	(690,746)	(20,584)	(373,279)	103,459
Interest income	(18,455)	(38,177)	(49,114)	(78,946)
Interest expense	5,849	-	5,849	-
Other, net	11,112	11,113	23,179	26,263
	(1,494)	(27,064)	(20,086)	(52,683)
Income (loss) before provision for (benefit from) income taxes	(689,252)	6,480	(353,193)	156,142
Provision for (benefit from) income taxes	(253,158)	-	(125,456)	62,597
Net income (loss)	\$ (436,094)	\$ 6,480	\$ (227,737)	\$ 93,545
Basic and diluted earnings (loss) per share	\$ (0.06)	\$ 0.00	\$ (0.03)	\$ 0.01
Weighted average shares outstanding - basic	7,901,327	7,883,577	7,896,279	7,883,577
Weighted average shares outstanding - diluted	7,901,327	8,130,901	7,896,279	8,122,607

See accompanying Notes to Consolidated Financial Statements.

ALLIED HEALTHCARE PRODUCTS, INC.
CONSOLIDATED BALANCE SHEET
ASSETS

	(Unaudited) December 31, 2008	June 30, 2008
Current assets:		
Cash and cash equivalents	\$ 4,212,532	\$