

SOLITRON DEVICES INC
Form 10-Q
October 09, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 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 August 31, 2009

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 No. 1-4978

SOLITRON DEVICES, INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of
Incorporation or
Organization)

22-1684144
(I.R.S. Employer
Identification No.)

3301 Electronics Way, West Palm Beach, Florida
(Address of Principal Executive Offices)

33407
(Zip Code)

(561) 848-4311
(Registrant's Telephone Number, Including Area Code)

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 (§232.405 of this chapter) 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 the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one)

Large accelerated filer

Accelerated filer

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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

The number of shares of the registrant's common stock, \$0.01 par value, outstanding as of September 30, 2009 was 2,263,775.

SOLITRON DEVICES, INC.

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SOLITRON DEVICES, INC.
CONDENSED BALANCE SHEETS
(Unaudited, in thousands)

	August 31, 2009	Feb 28, 2009
ASSETS		
CURRENT ASSETS :		
Cash and cash equivalents	\$ 129	\$ 440
Treasury bills	5,325	5,113
Accounts receivable, less allowance for doubtful accounts of \$2	943	871
Inventories, net	2,706	2,569
Prepaid expenses and other current assets	144	139
TOTAL CURRENT ASSETS	9,247	9,132
PROPERTY, PLANT AND EQUIPMENT, net	559	581
OTHER ASSETS	56	52
TOTAL ASSETS	\$ 9,862	\$ 9,765
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable – Post-petition	\$ 401	\$ 443
Accounts payable – Pre-petition, current portion	1,072	1,086
Customer deposits	39	61
Accrued expenses and other current liabilities	354	570
TOTAL CURRENT LIABILITIES	1,866	2,160
LONG TERM LIABILITIES, net of current portion	148	158
TOTAL LIABILITIES	2,014	2,318
COMMITMENTS & CONTINGENCIES		
STOCKHOLDERS' EQUITY		
Preferred stock, \$.01 par value, authorized 500,000 shares, none issued	-0-	-0-
Common stock, \$.01 par value, authorized 10,000,000 shares, 2,263,775 shares issued and outstanding, net of 173,287 shares of treasury stock	23	23
Additional paid-in capital	2,733	2,733
Retained earnings	5,092	4,691
TOTAL STOCKHOLDERS' EQUITY	7,848	7,447
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 9,862	\$ 9,765

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

SOLITRON DEVICES, INC.
CONDENSED STATEMENTS OF INCOME
THREE AND SIX MONTHS ENDED AUGUST 31,
(Unaudited, in thousands except for share and per share amounts)

	Three months		Six Months	
	2009	2008	2009	2008
NET SALES	\$ 1,938	\$ 2,071	\$ 3,758	\$ 4,240
Cost of Sales	1,316	1,649	2,865	3,272
Gross Profit	622	422	893	968
Selling, General and Administrative Expenses	241	233	512	517
Operating Income	381	189	381	451
OTHER INCOME				
Other Income, Net	16	-	9	-
Interest Income	3	25	11	35
Interest Expense	-	-	-	-
Other Income, Net	19	25	20	35
Net Income	\$ 400	\$ 214	\$ 401	\$ 486
INCOME PER SHARE				
: Basic	\$.18	\$.09	\$.18	\$.21
: Diluted	\$.16	\$.09	\$.16	\$.20
WEIGHTED AVERAGE				
SHARES OUTSTANDING : Basic	2,263,775	2,262,904	2,263,775	2,262,904
: Diluted	2,451,081	2,474,926	2,452,983	2,476,949

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

SOLITRON DEVICES, INC.
CONDENSED STATEMENTS OF CASH FLOWS
SIX MONTHS ENDED AUGUST 31,
(Unaudited, in thousands)

	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	\$ 401	\$ 486
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	100	98
Changes in operating assets and liabilities:		
(Increase) Decrease in:		
Accounts receivable	(72)	243
Inventories	(137)	405
Prepaid expenses and other current assets	(5)	(36)
Other non-current assets	(4)	5
Increase (Decrease) in:		
Accounts payable – Post-petition	(42)	(215)
Accounts payable – Pre-petition	(14)	(14)
Customer deposits	(22)	(131)
Accrued expenses and other current liabilities	(216)	(177)
Other non-current liabilities	(10)	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	(21)	664
CASH FLOW FROM INVESTING ACTIVITIES:		
Investment in treasury bills	(212)	(569)
Purchases of property, plant and equipment	(78)	(94)
NET CASH (USED IN) INVESTING ACTIVITIES	(290)	(663)
NET INCREASE/(DECREASE) IN CASH	(311)	1
CASH AT THE BEGINNING OF PERIOD	440	75