

NATIONAL PRESTO INDUSTRIES INC
Form 10-Q
August 10, 2018

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 July 1, 2018

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 1-2451

NATIONAL PRESTO INDUSTRIES, INC.

Edgar Filing: NATIONAL PRESTO INDUSTRIES INC - Form 10-Q

(Exact name of registrant as specified in its charter)

WISCONSIN 39-0494170
(State or other jurisdiction of incorporation (I.R.S. Employer Identification No.)

or organization)

3925 NORTH HASTINGS WAY
EAU CLAIRE, WISCONSIN 54703-3703
(Address of principal executive offices) (Zip Code)

(Registrant's telephone number, including area code) 715-839-2121

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 Website, 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, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
Emerging growth
company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Edgar Filing: NATIONAL PRESTO INDUSTRIES INC - Form 10-Q

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

Yes No

There were 6,978,446 shares of the Issuer's Common Stock outstanding as of August 1, 2018.

TABLE OF CONTENTS	
<u>PART I – FINANCIAL INFORMATION</u>	3
<u>Item 1 – Financial Statements</u>	3
<u>Condensed Consolidated Balance Sheets</u>	3
<u>Consolidated Statements of Comprehensive Income</u>	5
<u>Consolidated Statements of Cash Flows</u>	6
<u>Notes to Consolidated Financial Statements</u>	7
<u>Item 2 – Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	13
<u>Item 3 – Quantitative and Qualitative Disclosures About Market Risk</u>	17
<u>Item 4 – Controls and Procedures</u>	17
<u>PART II – OTHER INFORMATION</u>	18
<u>Item 1 – Legal Proceedings</u>	18
<u>Item 6 – Exhibits</u>	18
<u>SIGNATURES</u>	19
CERTIFICATIONS	20

PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

NATIONAL PRESTO INDUSTRIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

July 1, 2018 and December 31, 2017

(Dollars in thousands)

	July 1, 2018 (Unaudited)		December 31, 2017	
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents		\$ 36,610		\$ 11,222
Marketable securities		129,439		144,252
Accounts receivable, net		43,266		65,220
Inventories:				
Finished goods	\$ 26,536		\$ 27,242	
Work in process	65,569		72,219	
Raw materials	5,543	97,648	4,978	104,439
Income tax receivable		607		-
Assets held for sale		528		6,189
Other current assets		6,852		7,186
Total current assets		314,950		338,508
PROPERTY, PLANT AND EQUIPMENT	\$ 108,795		\$ 103,538	
Less allowance for depreciation	60,395	48,400	58,370	45,168
GOODWILL		11,485		11,485
INTANGIBLE ASSETS, net		1,170		3,330
NOTES RECEIVABLE		6,858		6,750
DEFERRED INCOME TAXES		977		995
OTHER ASSETS		5,696		5,637
		\$ 389,536		\$ 411,873

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

NATIONAL PRESTO INDUSTRIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

July 1, 2018 and December 31, 2017

(Dollars in thousands)