MARINE PRODUCTS CORP
Form 10-Q
May 04, 2007

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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 March 31, 2007

Commission File No. 1-16263

MARINE PRODUCTS CORPORATION
(exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**58-2572419** (I.R.S. Employer Identification Number)

2801 Buford Highway, Suite 520, Atlanta, Georgia 30329
(Address of principal executive offices) (zip code)

Registrant's telephone number, including area code -- **(404) 321-7910**

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 **X** No ____

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer o   Accelerated filer x   Non-accelerated filer o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes__ No **X**

As of April 25, 2007, Marine Products Corporation had 37,995,627 shares of common stock outstanding.

Marine Products Corporation

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MARINE PRODUCTS CORPORATION AND SUBSIDIARIES
PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS
AS OF MARCH 31, 2007 AND DECEMBER 31, 2006
(In thousands)
(Unaudited)

	March 31, 2007	December 31, 2006
ASSETS		
Cash and cash equivalents	$ 56,235	$ 54,456
Marketable securities	864	652
Accounts receivable, net	4,141	2,980
Inventories	31,366	29,556
Income taxes receivable	1,679	834
Deferred income taxes	3,271	3,244
Prepaid expenses and other current assets	925	1,873
Total current assets	98,481	93,595
Property, plant and equipment, net	16,635	16,641
Goodwill	3,308	3,308
Marketable securities	3,232	3,715
Deferred income taxes	1,361	1,449
Other assets	5,997	5,471
Total assets	$ 129,014	$ 124,179
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable	$ 6,887	$ 3,455
Accrued expenses	15,022	13,634
Total current liabilities	21,909	17,089
Pension liabilities	4,941	4,670
Other long-term liabilities	728	1,019
Total liabilities	27,578	22,778
Common stock	3,801	3,791
Capital in excess of par value	11,847	13,453
Retained earnings	86,496	84,875
Accumulated other comprehensive loss	(708)	(718)
Total stockholders' equity	101,436	101,401
Total liabilities and stockholders' equity	$ 129,014	$ 124,179

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

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MARINE PRODUCTS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2007 AND 2006
(In thousands except per share data)
(Unaudited)

	Three months ended March 31,			
		2007		2006
Net sales	**$**	**64,976**	$	69,957
Cost of goods sold		**51,012**		53,139
Gross profit		**13,964**		16,818
Selling, general and administrative expenses		**8,443**		8,638
Operating income		**5,521**		8,180
Interest income		**726**		446
Income before income taxes		**6,247**		8,626
Income tax provision		**2,330**		2,850
Net income	**$**	**3,917**	$	5,776
Earnings per share				
Basic	**$**	**0.10**	$	0.15
Diluted	**$**	**0.10**	$	0.15
Dividends per share	**$**	**0.06**	$	0.05
Average shares outstanding				
Basic		**37,500**		37,309
Diluted				