

Edgar Filing: VERSAR INC - Form 8-K

VERSAR INC  
Form 8-K  
February 13, 2004

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SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): February 13, 2004

VERSAR INC.

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(Exact Name of Registrant as Specified in its Charter)

|                                  |                             |                                      |
|----------------------------------|-----------------------------|--------------------------------------|
| Delaware                         | 1-9309                      | 54-0852979                           |
| <hr/>                            | <hr/>                       | <hr/>                                |
| (State or Other<br>Jurisdiction) | (Commission File<br>Number) | (IRS Employer<br>Identification No.) |

6850 Versar Center, Springfield, Virginia 22151

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(Address of Principal Executive Offices)

(703) 750-3000

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(Registrant's Telephone Number, Including Area Code)

Not Applicable

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(Former Name or Former Address, if Changed Since Last Report)

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Item 12. Results of Operations and Financial Condition

In accordance with SEC Release No. 33-8255, the following information is furnished.

On February 12, 2004, Versar, Inc. announced via press release the Company's results for its second quarter ended December 31, 2003. A copy of the Company's press release is attached hereto as Exhibit 99.1. This Form 8-K and the attached exhibit are provided under Item 12 of Form 8-K and are furnished to, but not filed with, the Securities and Exchange Commission.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VERSAR, INC.

Date: February 13, 2004

By \_\_\_\_\_ /s/ Lawrence W. Sinnott

Lawrence W. Sinnott  
Senior Vice President, Chief  
Financial Officer  
and Treasurer  
(Principal Financial Officer)

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Exhibit 99.1

FOR IMMEDIATE RELEASE:

THURSDAY, FEBRUARY 12, 2004

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Versar Announces Third Consecutive Profitable Quarter 2004 And Continued Growth in Funded Backlog.

Springfield, VA, Thursday, February 12, 2004 -- VERSAR, Inc. (Amex: VSR) announced today the second quarter results of fiscal year 2004. Net Income for the second quarter of fiscal year 2004 was \$366,000, or \$0.05 per share. The performance for the second quarter was slightly improved over that reported in fiscal year 2003 as the Company continues to transform the business to the changes in the business marketplace.

Funded Backlog improved by 38% from June 30, 2003 as the Company obtained \$40 million of new orders in the first six months of fiscal year 2004 and now has funded backlog of \$44 million as of December 31, 2003.

Gross revenues for the second quarter of fiscal year 2004 were \$14,288,000 a decrease of 7% over that reported in the same period in fiscal year 2003. The decrease is due to contract funding delays for construction work and the completion of the Company's STEPO contract in the Architecture and Engineering and Defense segments respectively. Such decreases were offset in part by increased gross revenue in the Company's Environmental segment, primarily in the area of mold remediation.

Dr. Ted Procriv, President and CEO of VERSAR said, "The second quarter of fiscal year 2004 is a continuance of our planned efforts outlined in the last fiscal year to provide a stable business base with consistent earnings. With recent contract awards, our contract backlog continues to increase as we look to translate such increases in to higher revenue and improved earnings."

VERSAR, INC., headquartered in Springfield, VA, is a publicly held professional services firm supporting government and industry in national defense/homeland defense programs, environmental health and safety and infrastructure revitalization. VERSAR operates a number of web sites, including the corporate Web sites, <http://www.versar.com>, <http://www.homelanddefense.com>, and <http://www.geomet.com>; and a B2B portal for homeland defense products and services, [www.nbcprotect.com](http://www.nbcprotect.com).

This press release contains forward-looking information. The forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be significantly impacted by certain risks and uncertainties described herein and in Versar's Annual Report on Form 10-K filed with the Securities and Exchange Commission for the year ended June 30, 2003.

Contact: James Dobbs (703) 642-6712 Email: [jdobbs@versar.com](mailto:jdobbs@versar.com)

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|  | For the Three-Month<br>Periods Ended December 31, |           | For the Six-Month<br>Periods Ended December 31, |            |
|--|---|-----------|---|------------|
|  | 2003  | 2002      | 2003  | 2002       |
| GROSS REVENUE  | \$ 14,288   | \$ 15,428 | \$ 27,893                                       | \$ 29,312  |
| Purchased services<br>and materials,<br>at cost                  | 6,035   | 6,157     | 11,411  | 12,017     |
| NET SERVICE REVENUE  | 8,253   | 9,271     | 16,482  | 17,295     |
| Direct costs of<br>services and<br>overhead                      | 6,469   | 7,129     | 12,921  | 13,854     |
| Selling, general and<br>administrative<br>expenses               | 1,385   | 1,589     | 2,765   | 3,057      |
| Non-recurring charge   | ---   | ---       | ---   | 800        |
| OPERATING INCOME<br>(LOSS)                                       | 399   | 553       | 796   | (416)      |
| OTHER EXPENSE  |   |           |   |            |
| Interest expense   | 33  | 43        | 87  | 75         |
| INCOME (LOSS)<br>BEFORE TAX                                      | 366   | 510       | 709   | (491)      |
| Income tax expense   | ---   | 181       | ---   | 581        |
| NET INCOME (LOSS)  | \$ 366  | \$ 329    | \$ 709  | \$ (1,072) |
| NET INCOME (LOSS)<br>PER SHARE -<br>BASIC                        | \$ 0.05   | \$ 0.05   | \$ 0.10   | \$ (0.15)  |
| NET INCOME (LOSS)<br>PER SHARE -<br>DILUTED                      | \$ 0.05   | \$ 0.05   | \$ 0.09   | \$ (0.15)  |
| WEIGHTED AVERAGE<br>NUMBER OF SHARES<br>OUTSTANDING -<br>BASIC   | 7,262   | 7,227     | 7,261   | 7,227      |
| WEIGHTED AVERAGE<br>NUMBER OF SHARES<br>OUTSTANDING -<br>DILUTED | 7,569   | 7,247     | 7,548   | 7,227      |

