

VIRCO MFG CORPORATION
Form 10-Q
December 15, 2015

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 October 31, 2015

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 number 1-8777

VIRCO MFG. CORPORATION
(Exact Name of Registrant as Specified in its Charter)
Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

95-1613718
(I.R.S. Employer
Identification No.)

2027 Harpers Way, Torrance, CA
(Address of Principal Executive Offices)

90501
(Zip Code)

Registrant's Telephone Number, Including Area Code: (310) 533-0474
No change

Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report.

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 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
Non-accelerated filer (Do not check if a smaller reporting company) 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 outstanding for each of the registrant's classes of common stock, as of the latest practicable date:

Common Stock, \$.01 par value — 14,998,187 shares as of December 4, 2015.

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PART I. Financial Information

Item 1. Financial Statements

Virco Mfg. Corporation
Condensed Consolidated Balance Sheets

	10/31/2015	1/31/2015	10/31/2014
	(In thousands, except share data)		
	Unaudited (Note 1)		Unaudited (Note 1)
Assets			
Current assets			
Cash	\$1,595	\$470	\$1,216
Trade accounts receivables, net	20,369	10,614	14,776
Other receivables	141	43	55
Income tax receivable	266	267	299
Inventories			
Finished goods	5,179	5,602	6,732
Work in process	12,858	11,487	11,676
Raw materials and supplies	9,131	9,589	10,018
	27,168	26,678	28,426
Deferred tax assets, net	156	156	203
Prepaid expenses and other current assets	1,098	743	1,308
Total current assets	50,793	38,971	46,283
Property, plant and equipment			
Land	1,671	1,671	1,671
Land improvements	851	851	851
Buildings and building improvements	46,448	47,047	47,047
Machinery and equipment	105,289	110,060	112,228
Leasehold improvements	1,758	1,909	1,894
	156,017	161,538	163,691
Less accumulated depreciation and amortization	120,742	126,317	128,095
Net property, plant and equipment	35,275	35,221	35,596
Deferred tax assets, net	445	624	545
Other assets	6,932	6,995	6,969
Total assets	\$93,445	\$81,811	\$89,393
See accompanying notes.			

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Virco Mfg. Corporation
Condensed Consolidated Balance Sheets

	10/31/2015	1/31/2015	10/31/2014
	(In thousands, except share data)		
	Unaudited (Note 1)		Unaudited (Note 1)
Liabilities			
Current liabilities			
Accounts payable	\$13,189	\$9,901	\$12,248
Accrued compensation and employee benefits	5,383	4,199	4,012
Current portion of long-term debt	68	3,366	2,018
Deferred tax liabilities	—	—	—
Other accrued liabilities	5,808	3,939	4,885
Total current liabilities	24,448	21,405	23,163
Non-current liabilities			
Accrued self-insurance retention	2,050	1,730	2,083
Accrued pension expenses	27,368	28,986	22,063
Income tax payable	40	42	39
Long-term debt, less current portion	4,064	6,153	6,153
Other accrued liabilities	978	922	1,095
Total non-current liabilities	34,500	37,833	31,433
Commitments and contingencies			