

MISONIX INC
Form 10-Q
May 13, 2008

FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

(Mark One)

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

For the quarterly period ended March 31, 2008

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: 1-10986

MISONIX, INC.

(Exact name of registrant as specified in its charter)

New York
(State or other jurisdiction of
incorporation or organization)

11-2148932
(I.R.S. Employer
Identification No.)

1938 New Highway, Farmingdale, NY
(Address of principal executive offices)

11735
(Zip Code)

(631) 694-9555
(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 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

Accelerated filer

Non-accelerated filer

Smaller reporting company

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

Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practical date:

Class of Common Stock	Outstanding at May 12, 2008
Common Stock, \$.01 par value	7,001,369

MISONIX, INC.

INDEX

	Page
Part I - FINANCIAL INFORMATION	
Item 1. Financial Statements:	
Consolidated Balance Sheets as of March 31, 2008 (Unaudited) and June 30, 2007	3
Consolidated Statements of Operations Nine months ended March 31, 2008 and 2007 (Unaudited)	4
Consolidated Statements of Operations Three months ended March 31, 2008 and 2007 (Unaudited)	5
Consolidated Statement of Stockholders' Equity Nine months ended March 31, 2008 (Unaudited)	6
Consolidated Statements of Cash Flows Nine months ended March 31, 2008 and 2007 (Unaudited)	7
Notes to Consolidated Financial Statements	8
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	17
Item 3. Quantitative and Qualitative Disclosures About Market Risk	23
Item 4. Controls and Procedures	24
Part II - OTHER INFORMATION	
Item 1A. Risk Factors	25
Item 6. Exhibits	25
Signatures	26

PART I – FINANCIAL INFORMATION**Item 1. Financial Statements.****MISONIX, INC. and Subsidiaries
Consolidated Balance Sheets**

	March 31, 2008	June 30, 2007
	unaudited	Derived from audited financial statements
Assets		
Current assets:		
Cash	\$ 1,607,529	\$ 2,900,358
Accounts receivable, less allowance for doubtful accounts of \$222,708 and \$313,981, respectively	8,334,961	7,679,466
Inventories, net	12,401,011	11,903,294
Deferred income taxes	1,028,988	1,028,988
Prepaid expenses and other current assets	1,277,836	1,936,243
Total current assets	24,650,325	25,448,349
Property, plant and equipment, net	4,341,773	4,728,367
Deferred income taxes	3,068,901	2,827,009
Goodwill	5,772,022	5,008,549
Other assets	738,317	733,470
Total assets	\$ 38,571,338	\$ 38,745,744
Liabilities and stockholders' equity		
Current liabilities:		
Revolving credit facilities and notes payable	\$ 4,801,356	\$ 4,326,088
Accounts payable	4,965,851	4,872,941
Accrued expenses and other current liabilities	3,884,377	3,957,643
Foreign income taxes payable	690,942	672,330
Current portion of deferred gain from sale and leaseback of building	159,195	160,000
Current maturities of capital lease obligations	296,508	294,257
Total current liabilities	14,798,229	14,283,259
Capital lease obligations	215,810	177,059
Deferred lease liability	356,419	380,068
Deferred income taxes	534,761	300,206
Deferred gain from sale and leaseback of building	1,313,354	1,438,966
Deferred income	397,992	494,261
Total liabilities	17,616,565	17,073,819
Commitments and contingencies		
Minority interest	200,628	265,284
Stockholders' equity:		

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Common stock, \$.01 par value—shares authorized 10,000,000; 7,079,169 issued and 7,001,369 outstanding	70,792	70,792
Additional paid-in capital	25,022,706	24,871,444
Accumulated deficit	(4,279,840)	(3,507,788)
Accumulated other comprehensive income	352,911	384,617
Treasury stock, 77,800 shares	(412,424)	(412,424)
Total stockholders' equity	20,754,145	21,406,641
Total liabilities and stockholders' equity	\$ 38,571,338	\$ 38,745,744

See Accompanying Notes to Consolidated Financial Statements.

MISONIX, INC. and Subsidiaries
Consolidated Statements of Operations
(Unaudited)

	For the nine months ended	
	March 31,	
	2008	2007
Net sales	\$ 33,935,316	\$ 30,865,888
Cost of goods sold	19,222,501	17,687,270
Gross profit	14,712,815	13,178,618
Operating expenses:		
Selling expenses	5,580,322	5,524,786
General and administrative expenses		