

DAKTRONICS INC /SD/
Form 10-Q
March 03, 2017

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 January 28, 2017

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: 0-23246

Daktronics, Inc.

(Exact name of Registrant as specified in its charter)

South Dakota

46-0306862

(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification Number)

201 Daktronics Drive

Brookings SD

57006

(Address of principal executive offices) (Zip Code)

(605) 692-0200

(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 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.

Large accelerated filer

Accelerated filer

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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 of the registrant's common stock outstanding as of February 27, 2017 was 44,067,563.

DAKTRONICS, INC. AND SUBSIDIARIES
 FORM 10-Q
 For the Quarter Ended January 28, 2017

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PART I. FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

DAKTRONICS, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(in thousands, except share data)

	January 28, 2017	April 30, 2016
	(unaudited)	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 48,377	\$28,328
Restricted cash	206	198
Marketable securities	28,034	24,672
Accounts receivable, net	71,637	77,554
Inventories, net	61,922	69,827
Costs and estimated earnings in excess of billings	33,204	30,200
Current maturities of long-term receivables	2,229	3,172
Prepaid expenses and other assets	5,968	6,468
Income tax receivables	255	4,812
Total current assets	251,832	245,231
Long-term receivables, less current maturities	2,876	3,866
Goodwill	7,866	8,116
Intangibles, net	5,334	7,721
Investment in affiliates and other assets	3,570	2,414
Deferred income taxes	9,677	9,437
	29,323	31,554
PROPERTY AND EQUIPMENT:		
Land	2,093	2,155
Buildings	65,219	65,247
Machinery and equipment	83,508	82,973
Office furniture and equipment	5,578	14,746
Computer software and hardware	50,642	48,917
Equipment held for rental	374	374
Demonstration equipment	7,770	8,026
Transportation equipment	6,863	6,596
	222,047	229,034
Less accumulated depreciation	155,096	155,871
	66,951	73,163
TOTAL ASSETS	\$ 348,106	\$349,948

See notes to consolidated financial statements.

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CONSOLIDATED BALANCE SHEETS

(continued)

(in thousands, except share data)

January 28, April 30,
2017 2016
(unaudited)

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES:

Accounts payable	\$ 38,688	\$43,441
Accrued expenses	25,560	23,532
Warranty obligations	14,847	16,564
Billings in excess of costs and estimated earnings	12,080	10,361
Customer deposits (billed or collected)	14,483	16,012
Deferred revenue (billed or collected)	12,282	10,712
Current portion of other long-term obligations	453	585
Income taxes payable	1,788	310
Total current liabilities	120,181	