

DGT HOLDINGS CORP.

FORM 10-Q (Quarterly Report)

Filed 06/17/96 for the Period Ending 04/27/96

Address	100 PINE AIRE DRIVE BAY SHORE, NY 11706
Telephone	631 231-6400
CIK	0000027748
Symbol	DGTC
SIC Code	3679 - Electronic Components, Not Elsewhere Classified
Industry	Medical Equipment & Supplies
Sector	Healthcare
Fiscal Year	07/31

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 10-Q

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

For Quarter Ended April 27, 1996
Commission File Number 1-10512

Del Global Technologies Corp.

(Exact name of registrant as specified in its charter)

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

13-1784308
(I.R.S. Employer Identification No.)

One Commerce Park, Valhalla, NY 10595
(Address of principal executive offices)

(Zip Code)

(914) 686-3600
(Registrant's telephone number including area code)

(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 the number of shares outstanding of each of the issuer's classes of common stock, as of the close of the period covered by this report.

Common Stock - 4,399,385 shares

PART I

Item 1. Financial Statements

Consolidated Balance Sheets - April 27, 1996 and July 29, 1995.

Consolidated Statements of Income for the Three Months and Nine months ended April 27, 1996 and April 29, 1995.

Consolidated Statements of Cash Flows for the Nine Months ended April 27, 1996 and April 29, 1995.

Notes to Consolidated Financial Statements

DEL GLOBAL TECHNOLOGIES CORP. & SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

	ASSETS	
	April 27, 1996	July 29, 1995
	----	----
CURRENT ASSETS		
Cash and cash equivalents	\$ 257,612	\$ 505,989
Investments available-for-sale	521,178	378,534
Trade receivables	9,097,940	6,456,853
Cost and estimated earnings in excess of billings on uncompleted contracts	404,030	395,847
Inventory	24,801,227	18,038,358
Prepaid expenses and other current assets .	1,831,172	1,117,963
	-----	-----
Total current assets	36,913,159	26,893,544
	-----	-----
Fixed assets - net	8,910,532	7,752,781
Goodwill - net	2,770,322	2,865,408
Intangibles and other assets	3,284,419	1,542,901
	-----	-----
TOTAL	\$51,878,432	\$39,054,634
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Current portion of long-term debt	\$ 1,514,815	\$ 943,383
Accounts payable - trade	3,686,868	2,539,615
Accrued liabilities	3,940,388	2,484,435
Income taxes	649,639	277,830
	-----	-----
Total current liabilities	9,791,710	6,245,263
	-----	-----
LONG-TERM LIABILITIES		
Long-term debt (less current portion included above)	17,935,091	11,902,951
Other	785,971	775,541
Deferred income taxes	678,463	605,806
	-----	-----
Total liabilities	29,191,235	19,529,561
	-----	-----
SHAREHOLDERS' EQUITY		
Common stock, \$.10 par value; Authorized - 10,000,000 shares; Issued and outstanding - April 27, 1996 - 4,457,610		
July 29, 1995 - 4,253,486	445,761	412,960
Additional paid-in capital	18,231,405	16,239,784
Retained earnings	4,346,716	3,189,244
	-----	-----
	23,023,882	19,841,988
	-----	-----
Less common shares in treasury - April 27, 1996 - 58,225		
July 29, 1995 - 55,165	336,685	316,915
	-----	-----
Total shareholders' equity	22,687,197	19,525,073
	-----	-----
TOTAL	\$51,878,432	\$39,054,634
	=====	=====

See notes to consolidated financial statements

DEL GLOBAL TECHNOLOGIES CORP. & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	Three Months Ended		Nine Months Ended	
	Apr. 27, 1996	Apr. 29, 1995	Apr. 27, 1996	Apr. 29, 1995
Net sales	\$12,555,138	\$ 8,945,910	\$29,355,757	\$22,661,332
Costs and expenses:				
Cost of sales	7,973,306	5,356,021	17,717,858	12,855,964
Research and development	869,886	725,535	2,301,780	1,934,585
Selling, general and administrative	2,232,346	1,822,568	5,588,463	4,877,374
Interest expense - net	353,298	289,891	948,509	866,184
	11,428,836	8,194,015	26,556,610	20,534,107
Income before provision for income taxes	1,126,302	751,895	2,799,147	2,127,225
Provision for income taxes:	343,482	229,979	853,700	649,479
Net income	\$ 782,820	\$ 521,916	\$ 1,945,447	\$ 1,477,746
Per share amounts:				
Net income per common share and common share equivalents, primary and fully diluted	\$.14	\$.11	\$.37	\$.30
Weighted average number of common shares outstanding and common share equivalents	5,449,672	4,977,356	5,393,007	4,999,239

See notes to consolidated financial statements

DEL GLOBAL TECHNOLOGIES CORP. & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ended	
	Apr. 27, 1996	Apr. 29, 1995
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 1,945,447	\$ 1,477,746
Adjustments to reconcile net income to net cash provided by operating activities net of effects from purchase of subsidiary:		
Imputed interest	49,852	18,991
Depreciation	539,637	592,379
Amortization	307,647	301,047
Deferred income tax provision	72,657	
Changes in assets and liabilities:		
(Increase) decrease in trade receivables ..	(2,641,087)	599,933
(Increase) decrease in cost and estimated earnings in excess of billings on uncompleted contracts	(8,183)	125,482
Increase in inventory	(846,861)	(2,462,300)
Increase in prepaid and other current assets	(771,883)	(169,370)
Decrease (increase) in other assets	54,142	(25,266)
Increase (decrease) in accounts payable - trade	1,147,253	(221,096)
Increase in accrued liabilities	863,578	224,021
Increase in income taxes payable	371,809	261,527
Net cash provided by operating activities .	1,084,008	723,094
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net cash paid on acquisition of subsidiaries ..	(5,815,540)	
Expenditures for fixed assets	(1,082,601)	(736,396)
(Investment in) sale of marketable securities - net	(142,644)	7,314
Payments to former shareholders of subsidiary acquired	(39,422)	(207,876)
Net cash used in investing activities	(7,080,207)	(936,958)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net proceeds from bank borrowing	4,803,572	42,609
Payment for repurchase of shares	(19,770)	(133,234)
Proceeds from exercise of stock options & warrants	1,059,099	111,864
Other	(95,079)	(18,955)
Net cash provided by financing activities .	5,747,822	2,284

(continued)

See notes to consolidated financial statements

DEL GLOBAL TECHNOLOGIES CORP. & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ended	
	Apr. 27, 1996 ----	Apr. 29, 1995 ----
Net decrease in cash and cash equivalents	\$ (248,377)	\$ (211,580)
Cash and cash equivalents, beginning of period ...	505,989 -----	445,597 -----
Cash and cash equivalents, end of period	\$ 257,612 =====	\$ 234,017 =====
 SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Interest paid	\$ 662,421 =====	\$ 645,341 =====
Income taxes paid	\$ 434,405 =====	\$ 167,852 =====
 SUPPLEMENTAL SCHEDULE OF INVESTING AND FINANCING ACTIVITIES:		
Acquisition of subsidiary	\$ 7,707,915 -----	
Subordinated note payable for acquisition ...	1,800,000	
Acquisition costs in accrued expenses	92,375 -----	
	1,892,375 -----	
Cash paid to acquire subsidiary	\$ 5,815,540 =====	
 Tax benefit related to exercise of stock options and warrants	 \$ 139,397 =====	

(concluded)

See notes to consolidated financial statements

DEL GLOBAL TECHNOLOGIES CORP. & SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1 In the opinion of the Company, the accompanying unaudited

consolidated financial statements contain all adjustments (consisting of only normal recurring adjustments) necessary to present fairly the results of the Company's financial position as of April 27, 1996 and July 29, 1995 and the results of its operations and its cash flows for the nine months ended April 27, 1996 and April 29, 1995.

The accounting policies followed by the Company are set forth in Note 1 to the Company's consolidated financial statements as of July 29, 1995.

The consolidated financial statements should be read in conjunction with the notes to the consolidated financial statements as of July 29, 1995.

NOTE 2 The results of operations for the three and nine month periods

ended April 27, 1996 are not necessarily indicative of the results to be expected for the full year.

NOTE 3 PERCENTAGE OF COMPLETION ACCOUNTING

	Balance at April 27, 1996 -----
Costs incurred on uncompleted contracts	\$344,309
Estimated earnings	94,921 -----
	439,230
Less: Billings to-date	35,200 -----
Costs and estimated earnings in excess of billings on uncompleted contracts	\$404,030 =====

The backlog of unshipped contracts being accounted for under the percentage of completion method of accounting was \$625,570 at April 27, 1996.

NOTE 4 INVENTORY

Inventory is stated at a lower of cost (first-in, first-out) or market.

Inventories and their effect on cost of sales are determined by physical count for annual reporting purposes and are estimated by management for interim reporting purposes based on estimated gross margins.

Inventory consists of the following:		
	April 27, 1996	July 29, 1995
	----	----
Finished goods	\$ 5,952,294	\$ 4,398,096
Work in process	10,416,515	7,642,588
Raw material and purchased parts	8,432,418	5,997,674
	-----	-----
Total	\$24,801,227	\$18,038,358
	=====	=====

NOTE 5 FIXED ASSETS

Fixed assets consist of the following:		
	April 27, 1996	July 29, 1995
	----	----
Land	\$ 694,046	\$ 694,046
Building	2,146,025	2,146,025
Machinery and equipment	7,819,787	6,624,296
Furniture and fixtures	816,319	773,694
Leasehold improvements	1,034,997	790,226
Construction in progress	239,102	76,023
Transportation equipment	11,425	10,987
	-----	-----
	12,761,701	11,115,297
	-----	-----
Less accumulated depreciation and amortization	3,851,169	3,362,516
	-----	-----
	\$ 8,910,532	\$ 7,752,781
	=====	=====

Construction in progress relates to computer equipment and the computerization of certain of the Company's manufacturing and accounting systems.

NOTE 6 NET INCOME PER COMMON SHARE

Net income per common share was computed using the modified treasury stock method. This method was utilized since the number of shares of common stock obtainable upon the assumed exercise of outstanding options and warrants in the aggregate exceeded 20 percent of the number of common shares outstanding at the end of the period. The weighted average number of common shares and common share equivalents for the period and for all periods presented includes the effect of the 3 percent stock dividend declared on November 20, 1995 (see Note 7).

NOTE 7 STOCK DIVIDEND

On November 20, 1995, the Company declared a 3 percent stock dividend to holders of record on December 5, 1995, which was paid on December 21, 1995.

NOTE 8 LONG-TERM DEBT

On March 5, 1996 the Company and its lending bank entered into an Amended and Restated Credit Agreement wherein the bank increased the Company's line of credit to \$24,000,000, consisting of a \$10,000,000 five-year term loan and a four-year revolving credit line of \$14,000,000. Initial borrowings made under this credit line on March 6, 1996 were used to pay off existing term loans, the existing revolving credit loan balance and to fund the acquisition of certain assets of the Gendex Medical Division ("Gendex") of Dentsply International Inc. Borrowing under the revolving credit loan is based upon a formula based on 80 percent of eligible accounts receivable and 50 percent of inventory with a \$2,000,000 maximum sublimit for letters of credit. Interest will be computed at prime, or at the Company's option, at a rate tied to the London Interbank Borrowing Rate ("LIBOR").

NOTE 9 ACQUISITION

On March 6, 1996, the Company and its newly-formed wholly-owned subsidiary, Gendex-Del Medical Imaging Corp. ("Gendex-Del") acquired certain assets, including inventories, fixed assets, intangibles and the use of the Gendex trade name, of the Gendex Medical Division of Dentsply International Inc. ("Gendex acquisition"), for \$5,700,000 in cash and a subordinated term note of \$1,800,000. The subordinated term note bears interest at 7.75 percent, which is payable quarterly, with principal payments beginning three years after closing. The Company assumed the lease for the Gendex facility in Franklin Park, Illinois and will operate the business under the Gendex-Del name. The Company entered into a supply agreement with Dentsply International Inc. for certain components and parts used in the manufacture of medical x-ray equipment and systems of Gendex.

The acquisition has been accounted for as a purchase and accordingly, the original purchase price was allocated to assets and liabilities acquired based upon a preliminary estimate of fair value at the date of acquisition and is subject to modification as more information becomes available.

Unaudited pro forma financial information for the nine month periods ended April 27, 1996 and April 29, 1995, as if the acquisition occurred at the beginning of the respective fiscal period, is as follows:

	Nine Months Ended	
	Apr. 27, 1996	Apr. 29, 1995
	----	----
Net sales	\$39,498,635	\$38,363,199
	=====	=====
Income before provision for income taxes	\$ 2,294,947	\$ 1,758,484
	=====	=====
Net Income	\$ 1,589,028	\$ 1,221,471
	=====	=====
Net income per common share and common share equivalents primary and fully diluted ..	\$.30	\$.25
	=====	=====

The pro forma financial information presented above is not necessarily indicative of the operating results which would have been achieved had the Company acquired Gendex-Del at the beginning of the respective periods or of results to be achieved in the future.

NOTE 10 SUBSEQUENT EVENT

On June 6, 1996, the Company completed the public offering of 2,000,000 shares of its common stock. The net proceeds of this offering were approximately \$19,190,000 after deducting underwriting fees and estimated expenses, and were used to repay revolving credit loans, long term debt and the subordinated term note to Dentsply International Inc., with the balance added to working capital.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

Net sales for the three months ended April 27, 1996 were approximately \$12.6 million as compared to approximately \$8.9 million, an increase of approximately 40.3 percent over the corresponding period in the prior year. Net sales for the nine months ended April 27, 1996 were approximately \$29.4 million compared to approximately \$22.7 million, an increase of approximately 29.5 percent over the corresponding period in the prior year. These increases are due to net sales from the newly formed Gendex-Del subsidiary, since its inception on March 6, 1996 and internal growth from existing operations.

Due to the Company's 52/53 week reporting period, the 1996 three month period was only 12 weeks as compared to 13 weeks in the corresponding prior period. Despite the effect of less days in this year's three month period, for the nine months ended April 27, 1996, net sales for the on-going operations increased approximately \$3.8 million over last year's nine month period.

Cost of sales, as a percentage of net sales for the three months ended April 27, 1996, was 63.5 percent compared to 59.9 percent for the prior corresponding period. Cost of sales, as a percentage of net sales for the nine months ended April 27, 1996, was 60.4 percent compared to 56.7 percent for the prior corresponding period. These changes were due to the change in product mix in the periods. The current year periods include the gross margins of medical imaging systems manufactured by Gendex-Del which are presently lower than the margins of the Company's other products.

Research and development expenses increased to approximately \$870,000 for the three months ended April 27, 1996 from approximately \$726,000 for the three months ended April 29, 1995. Research and development expenses increased to approximately \$2.3 million for the nine months ended April 27, 1996 from approximately \$1.9 million for the nine months ended April 29, 1995. The Company continues to invest in research and development in order to introduce new state-of-the-art products for its medical and industrial markets.

Selling, general and administrative expenses were approximately \$2.2 million in the three months ended April 27, 1996 as compared to approximately \$1.8 million in the same period in the prior year. Selling, general, and administrative expenses increased to approximately \$5.6 million for the nine months ended April 27, 1996 from approximately \$4.9 million for the same period in the prior year. These increases were primarily attributable to increased selling and international marketing expenses, advertising and sales commissions due to increased sales levels in the respective periods. The 1996 periods include the selling, general and administrative expenses of Gendex-Del.

Net interest expense was approximately \$353,000 for the three months ended April 27, 1996 compared to approximately \$290,000 for the corresponding prior period. This increase was attributable to the increase in long term debt incurred to finance the Gendex acquisition. Net interest expense was approximately \$949,000 for the nine months ended April 27, 1996 compared to approximately \$866,000 for the corresponding prior period. This increase is due to higher average credit balances outstanding in the nine months ended April 27, 1996 due to the Gendex acquisition, partly offset by lower interest rates.

Income tax expense was 30.5 percent of pre-tax income in the nine months ended April 27, 1996 and the nine months ended April 29, 1995. The decrease from statutory rates is primarily due to sales being made through the Company's

Foreign Sales Corporation, research and development and other tax credits.

Net income increased to approximately \$783,000 for the three months ended April 27, 1996, an increase of approximately 50.0 percent from \$522,000 for the prior corresponding period. Net income per common share increased to \$.14 from \$.11 even though the weighted number of common shares outstanding and common share equivalents increased approximately 9.5 percent to 5,449,672 from 4,977,356. Net income increased to approximately \$1.9 million for the nine months ended April 27, 1996, an increase of approximately 31.6 percent from approximately \$1.5 million for the prior corresponding period. For the nine months ended April 27, 1996 primary and fully diluted net income per share was \$.37 as compared to \$.30 for the nine months ended April 29, 1995. The number of outstanding shares and common share equivalents increased 12.1 percent from the nine month period ended April 29, 1995. The increases in net income for the three and nine month periods ended April 27, 1996 are primarily due to higher sales levels to the Company's medical imaging and diagnostic and industrial product customers.

The backlog of unshipped orders at April 27, 1996 was approximately \$23.8 million.

LIQUIDITY AND CAPITAL RESOURCES

The Company has funded its operations and acquisitions through a combination of cash flow from operations, bank borrowing and the issuance of Common Stock.

Working Capital. At April 27, 1996 and July 29, 1995, the Company's working capital was approximately \$27.1 million and \$20.6 million, respectively. At such dates the Company had approximately \$258,000 and \$506,000, respectively, in cash and cash equivalents.

Trade receivables at April 27, 1996 increased approximately \$2.6 million as compared to July 29, 1995, primarily as the result of the inclusion of the Gendex-Del accounts receivable for the quarter ended April 27, 1996.

Inventory at April 27, 1996 increased approximately \$6.8 million as compared to July 29, 1995, of which approximately \$5.0 million is attributable to the inclusion of Gendex-Del inventory as of April 27, 1996. Major new orders received in the nine months ended April 27, 1996 resulted in the additional increase in inventory levels.

Prepaid expenses and other current assets increased approximately \$713,000 at April 27, 1996 as compared to July 29, 1995. This increase was primarily attributable to advanced payments for inventory for Del Medical Systems under its exclusive distribution agreement for diagnostic medical image enhancers, annual insurance policy premiums and additional costs incurred relating to the Gendex acquisition.

Intangible assets of \$1.7 million were acquired as part of the assets purchased from Dentsply International Inc., in connection with the Gendex acquisition. They include certain patents and trademarks as well as the use of the Gendex and Universal trade names.

Credit Facility and Borrowing. On March 5, 1996, in conjunction with the Gendex acquisition, the Company and its lending bank entered into an Amended and Restated Credit Agreement wherein the bank increased the Company's line of

credit to \$24.0 million, consisting of a five-year \$10.0 million term loan and a four-year revolving line of credit of \$14.0 million. Borrowings under the revolving line of credit are based on 80 percent of eligible accounts receivable and 50 percent of inventory, with a \$2.0 million maximum sub-limit for letters of credit. Borrowings under this credit line were used to pay off the existing term loans and the existing revolving credit loan balance. Interest will be computed at prime, or at the Company's option, at a rate tied to LIBOR. Approximately \$5.8 million of this credit line was used to purchase certain assets of the Gendex Medical Division from Dentsply International Inc., on March 6, 1996. In connection with such purchase, the Company delivered a seven-year \$1.8 million subordinated note to Dentsply with interest at 7.75 percent, payable quarterly. At April 27, 1996, the Company had outstanding borrowings of \$10.0 million under the term loan and approximately \$7.6 million under the revolving credit loan. The unused and available portion of the line of credit was approximately \$5.8 million, after deducting outstanding letters of credit of approximately \$542,000.

On June 12, 1996, as the result of the sale of 2.0 million shares of common stock, the Company repaid \$9.5 million of its \$10.0 million term note, \$5.0 million of its revolving credit loan and its \$1.8 million subordinated note to Dentsply International Inc. The Company had \$13.9 million of available credit under its revolving credit loan and was in discussions with its primary lending bank regarding the conversion of its \$10.0 million term note into a 5 year \$10.0 million credit line designated for acquisitions.

Capital Expenditures. The Company continues to invest in capital equipment, principally for its manufacturing operations, in order to improve its manufacturing capability and capacity. The Company has expended approximately \$1.1 million for capital equipment for the nine month period ended April 27, 1996. Fixed Assets, representing principally manufacturing equipment of approximately \$617,000 were purchased in connection with the Gendex acquisition. At April 27, 1996, the Company had commitments totalling \$150,000 to improve the manufacturing control systems and computer systems at certain of its manufacturing operations. The funds for capital improvements were derived from operations and short-term borrowings.

The Company may expand its technical and marketing capabilities and product lines through the acquisition of other companies, businesses or technologies that are complementary to the Company's current business.

The Company anticipates that cash generated from operations and amounts available under its bank lending facilities will be sufficient to satisfy its current operating cash needs.

PART II

Item 1. Legal Proceedings - None

Item 2. Changes in Securities - None

Item 3. Defaults on Senior Securities - None

Item 4. Submission to a Vote of Security Holders - None

Item 5. Other Information

(a) Exhibits:

Exhibit 11 - Computation of Earnings per Common Share
Exhibit 27 - Financial Data Schedule

(b) Report on Form 8-K:

A report on Form 8-K was filed with the Commission by the Company on March 21, 1996 in connection with the acquisition of certain assets of the Gendex Medical division of Dentsply International Inc. A report on Form 8-K/A was filed with the Commission by the Company on May 6, 1996 containing condensed consolidated pro forma financial information relating to such acquisition.

SIGNATURES

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

DEL GLOBAL TECHNOLOGIES CORP.

/S/LEONARD A. TRUGMAN

*Leonard A. Trugman
Chairman of the Board,
Chief Executive Officer
and President*

/S/MICHAEL H. TABER

*Michael H. Taber
Vice President Finance and Secretary,
Chief Accounting Officer*

Dated: June 17, 1996

Exhibit 11

DEL GLOBAL TECHNOLOGIES CORP. AND SUBSIDIARIES

COMPUTATION OF EARNINGS PER COMMON SHARE

THREE AND NINE MONTHS ENDED APRIL 27, 1996

	Three Months Ended Apr. 27, 1996		Nine Months Ended Apr. 27, 1996	
	Primary	Fully Diluted	Primary	Fully Diluted
	-----	-----	-----	-----
Reconciliation of net income per statement of income to amount used in earnings per share computation:				
Net Income	\$ 782,820	\$ 782,820	\$1,945,447	\$1,945,447
Assumed reduction of - Interest on short-term debt, net of tax effect on application of assumed proceeds from exercise of options subject to limitations under the Modified Treasury Stock method	7,358	6,217	45,808	28,843
	-----	-----	-----	-----
Net income, as adjusted	\$ 790,178	\$ 789,037	\$1,991,255	\$1,974,290
	=====	=====	=====	=====
Reconciliation of weighted average number of shares outstanding to amount used in earnings per share computation:				
Weighted average number of shares outstanding:	4,349,517	4,349,517	4,278,380	4,278,380
Add - shares issuable from assumed exercise of options subject to limitations under the Modified Treasury Stock method	1,100,155	1,100,155	1,114,627	1,114,627
	-----	-----	-----	-----
Weighted average number of shares outstanding as adjusted	5,449,672	5,449,672	5,393,007	5,393,007
	=====	=====	=====	=====
Net income per common share	\$.14	\$.14	\$.37	\$.37
	=====	=====	=====	=====

The Company utilized the Modified Treasury Stock method for computing net income per common share. Under this method, the funds obtained by the assumed exercise of all options and warrants were applied to repurchase common stock at the average market price but limited to an amount of repurchased shares to not greater than 20 percent of the then outstanding actual common shares. Any assumed funds still available after the repurchase of 20 percent of outstanding actual common shares were assumed to be utilized to reduce the existing short-term debt. The adjustment to net income has been shown net of tax effect.

ARTICLE 5

CIK: 0000027748

NAME: DEL GLOBAL TECHNOLOGIES CORP.

MULTIPLIER: 1

CURRENCY: U.S. DOLLARS

PERIOD TYPE	9 MOS
FISCAL YEAR END	AUG 03 1996
PERIOD START	JUL 30 1995
PERIOD END	APR 27 1996
EXCHANGE RATE	1.000
CASH	257,612
SECURITIES	521,178
RECEIVABLES	9,302,371
ALLOWANCES	204,431
INVENTORY	24,801,227
CURRENT ASSETS	36,913,159
PP&E	12,761,701
DEPRECIATION	3,851,169
TOTAL ASSETS	51,878,432
CURRENT LIABILITIES	9,791,710
BONDS	0
PREFERRED MANDATORY	0
PREFERRED	0
COMMON	445,761
OTHER SE	22,241,436
TOTAL LIABILITY AND EQUITY	51,878,432
SALES	29,355,757
TOTAL REVENUES	29,355,757
CGS	17,717,858
TOTAL COSTS	17,717,858
OTHER EXPENSES	7,890,243
LOSS PROVISION	0
INTEREST EXPENSE	948,509
INCOME PRETAX	2,799,147
INCOME TAX	853,700
INCOME CONTINUING	1,945,447
DISCONTINUED	0
EXTRAORDINARY	0
CHANGES	0
NET INCOME	1,945,447
EPS PRIMARY	0.37
EPS DILUTED	0.37

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