

SYNALLOY CORP
Form 10-Q
August 08, 2007

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 June 30, 2007

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 0-19687

SYNALLOY CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

*(State or other jurisdiction of
incorporation or organization)*

57-0426694

*(IRS Employer
Identification Number)*

2155 West Croft Circle

Spartanburg, South Carolina

(Address of principal executive offices)

29302

(Zip code)

(864) 585-3605

(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.

Larger accelerated Filer Accelerated filer Non-accelerated filer

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

Yes No

The number of shares outstanding of the registrant's common stock as of August 6, 2007 was 6,237,305.

Synalloy Corporation
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Item 1. FINANCIAL STATEMENTS**Synalloy Corporation****Condensed Consolidated Balance Sheets**

	Jun 30, 2007	Dec 30, 2006
	(Unaudited)	(Note)
Assets		
<i>Current assets</i>		
Cash and cash equivalents	\$ 8,920	\$ 21,413
Accounts receivable, less allowance for doubtful accounts	22,374,636	22,428,829
Inventories		
Raw materials	13,750,906	17,361,355
Work-in-process	15,148,819	13,323,868
Finished goods	16,656,987	10,860,239
Total inventories	45,556,712	41,545,462
Deferred income taxes	2,202,000	1,793,000
Prepaid expenses and other current assets	391,730	307,740
Total current assets	70,533,998	66,096,444
Cash value of life insurance	2,747,565	2,723,565
Property, plant & equipment, net of accumulated depreciation of \$39,437,000 and \$37,898,000	19,788,066	18,951,820
Deferred charges and other assets	1,554,175	1,585,337
Total assets	\$ 94,623,804	\$ 89,357,166
Liabilities and Shareholders' Equity		
<i>Current liabilities</i>		
Current portion of long-term debt	\$ 466,667	\$ 466,667
Accounts payable	14,338,448	11,775,703
Accrued expenses	5,749,593	6,043,750
Current portion of environmental reserves	235,496	226,053
Income taxes payable	93,561	1,200,198
Total current liabilities	20,883,765	19,712,371
Long-term debt	15,870,498	17,731,431
Environmental reserves	616,000	616,000
Deferred compensation	445,337	470,212
Deferred income taxes	2,276,000	3,700,000
Shareholders' equity		
Common stock, par value \$1 per share - authorized 12,000,000 shares; issued 8,000,000 shares	8,000,000	8,000,000
Capital in excess of par value	450,427	56,703
Retained earnings	61,709,348	54,921,022
Less cost of Common Stock in treasury: 1,776,495 and 1,864,433 shares	(15,627,571)	(15,850,573)
Total shareholders' equity	54,532,204	47,127,152
Total liabilities and shareholders' equity	\$ 94,623,804	\$ 89,357,166

Note: The balance sheet at December 30, 2006 has been derived from the audited consolidated financial statements at that date.

See accompanying notes to condensed consolidated financial statements.

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Synalloy Corporation
Condensed Consolidated Statements of Income
(Unaudited)

	Three Months Ended		Six Months Ended	
	Jun 30, 2007	Jul 1, 2006	Jun 30, 2007	Jul 1, 2006
Net sales	\$ 43,940,977	\$ 36,728,508	\$ 88,339,265	