

FLOW INTERNATIONAL CORP  
Form 10-Q/A  
April 06, 2005  
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**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 10-Q/A**

**(AMENDMENT NO. 1)**

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

For the quarterly period ended October 31, 2004

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 0-12448

**FLOW INTERNATIONAL CORPORATION**

WASHINGTON  
(State or other jurisdiction  
of incorporation or organization)

91-1104842  
(I.R.S. Employer  
Identification No.)

**23500 - 64th Avenue South**

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Kent, Washington 98032

(253) 850-3500

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 an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes  No .

The number of shares outstanding of common stock, as of January 3, 2005 is 15,948,370 shares.

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EXPLANATORY NOTE: This Form 10-Q/A is being filed for the purpose of re-filing the certifications pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 in Exhibits 31 to include the correct citations. In addition, we have re-filed the certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 in Exhibit 32. We have made no further changes to the previously filed Form 10-Q.

Items in the Form 10-Q/A amended by this filing are:

Exhibit 31.1

Exhibit 31.2

Exhibit 32.1

Except as described above, all other information is unchanged and reflects the disclosures made at the time of the original filing on January 10, 2005 and this Form 10-Q/A does not otherwise reflect events occurring after the original filing or otherwise modify or update these disclosures. Accordingly, this Form 10-Q/A should be read in conjunction with our filings with the Securities and Exchange Commission subsequent to the filing of the original Form 10-Q.

**FLOW INTERNATIONAL CORPORATION**

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(unaudited; in thousands, except share amounts)

	October 31, 2004	April 30, 2004
	<u>          </u>	<u>          </u>
<b><u>ASSETS</u></b>		
Current Assets:		
Cash and Cash Equivalents	\$ 14,067	\$ 11,734
Restricted Cash	829	1,101
Receivables, Net	44,573	44,860
Inventories, Net	28,228	26,384
Deferred Income Taxes	788	970
Other Current Assets	7,062	5,562
	<u>          </u>	<u>          </u>
Total Current Assets	95,547	90,611
Property and Equipment, Net	12,714	14,200
Patents and Other Intangible Assets, Net	14,929	14,251
Goodwill	11,828	11,260
Other Assets	4,887	4,749
	<u>          </u>	<u>          </u>
	<u>\$ 139,905</u>	<u>\$ 135,071</u>
<b><u>LIABILITIES, MINORITY INTEREST AND SHAREHOLDERS' DEFICIT</u></b>		
Current Liabilities:		
Notes Payable	\$ 5,525	\$ 8,687
Current Portion of Long-Term Obligations	34,261	40,040
Accounts Payable	17,177	15,123
Accrued Payroll and Related Liabilities	6,963	7,734
Other Accrued Taxes	2,658	4,212
Deferred Revenue	4,488	3,028
Customer Advances	13,357	10,181
Other Accrued Liabilities	12,710	10,666
	<u>          </u>	<u>          </u>
Total Current Liabilities	97,139	99,671
Long-Term Obligations, Net	45,388	38,081
Other Long-Term Liabilities	3,926	4,511
	<u>          </u>	<u>          </u>
Total Liabilities	146,453	142,263
Commitments and Contingencies		
Minority Interest	2,513	2,360
	<u>          </u>	<u>          </u>
Shareholders' Deficit		
Series A 8% Convertible Preferred Stock - \$0.01 par value, 1,000,000 shares authorized, none issued	-	-
Common Stock - \$0.01 par value, 49,000,000 shares authorized, 15,939,291 shares outstanding at October 31, 2004 and 15,509,853 shares outstanding at April 30, 2004	159	156
Capital in Excess of Par	56,816	54,686
Accumulated Deficit	(62,580)	(59,965)

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Accumulated Other Comprehensive Loss	(3,456)	(4,429)
Total Shareholders' Deficit	(9,061)	(9,552)
	\$ 139,905	\$ 135,071

See Accompanying Notes to  
Condensed Consolidated Financial Statements

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## CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(unaudited; in thousands, except per share data)

	Three Months Ended October 31,		Six Months Ended October 31,	
	2004	2003	2004	2003
		(restated)		(restated)
Revenues	\$ 55,467	\$ 43,689	\$ 104,449	\$ 80,871
Cost of Sales	37,212	28,038	68,299	51,835
Gross Margin	18,255	15,651	36,150	29,036
Expenses:				
Sales and Marketing	8,066	6,078	15,375	13,511
Research and Engineering	1,902	2,881	4,506	5,613
General and Administrative	5,704	5,456	11,432	10,953
Restructuring	-	857	-	1,105
Financial Consulting	-	97	623	1,197
	15,672	15,369	31,936	32,379
Operating Income (Loss)	2,583	282	4,214	(3,343)
Interest Expense, Net	(3,789)	(3,371)	(6,884)	(6,670)
Other Income, Net	1,389	1,894	1,219	2,621
Income (Loss) Before Provision for Income Taxes	183	(1,195)	(1,451)	(7,392)
Provision for Income Taxes	(458)	(734)	(1,164)	(730)
Loss Before Discontinued Operations	(275)	(1,929)	(2,615)	(8,122)
Discontinued Operations, Net of Tax	-	-	-	526
Net Loss	\$ (275)	\$ (1,929)	\$ (2,615)	\$ (7,596)
Basic and Diluted Loss Per Share:				
Loss Before Discontinued Operations	\$ (.02)	\$ (.13)	\$ (.17)	\$ (.53)
Effect of Discontinued Operations, Net of Tax	-	-	-	.03
Net Loss	\$ (.02)	\$ (.13)	\$ (.17)	\$ (.50)
Weighted Average Shares Used in Computing Basic and Diluted Loss Per Share				
Basic	15,916	15,359	15,801	15,359
Diluted	15,916	15,359	15,801	15,359

See Accompanying Notes to

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Condensed Consolidated Financial Statements

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**Table of Contents****FLOW INTERNATIONAL CORPORATION****CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

(unaudited; in thousands)

	Six Months Ended October 31,	
	2004	2003
	<u>          </u>	<u>          </u>
		(restated)
<b>Cash Flows from Operating Activities:</b>		
Net Loss	\$ (2,615)	\$ (7,596)
<b>Adjustments to Reconcile Net Loss to Cash Provided by Operating Activities:</b>		
Depreciation and Amortization	2,546	3,233
Gain on Sale of Discontinued Operations	-	(650)
Foreign Currency Gains, Net	(1,124)	(2,108)
Amortization of Debt Discount	528	430
Non-cash Interest Expense	2,625	2,625
Other Non-Cash Items	493	559
Decrease in Receivables	1,504	2,087
(Increase) Decrease in Inventory	(1,166)	9,440
Increase in Other Operating Assets	(1,165)	(1,283)
Increase in Customer Advances	2,902	7,356
Increase (Decrease) in Accounts Payable	1,630	(253)
Increase (Decrease) in Deferred Revenue	1,321	(3,435)
(Decrease) Increase in Other Operating Liabilities	(737)	2,504
	<u>          </u>	<u>          </u>
<b>Cash Provided by Operating Activities</b>	<b>6,742</b>	<b>12,909</b>
<b>Cash Flows from Investing Activities:</b>		
Expenditures for Property and Equipment	(446)	(3,884)
Restricted Cash	330	-
Proceeds from Sale of Discontinued Operations	-	1,837