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VIRCO MFG CORPORATION
Form 10-Q
September 11, 2015

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 July 31, 2015

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 1-8777

VIRCO MFG. CORPORATION
(Exact Name of Registrant as Specified in its Charter)
Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

95-1613718
(I.R.S. Employer
Identification No.)

2027 Harpers Way, Torrance, CA
(Address of Principal Executive Offices)

90501
(Zip Code)

Registrant's Telephone Number, Including Area Code: (310) 533-0474

No change

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 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. (Check one):

Large accelerated filer Accelerated filer
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 outstanding for each of the registrant's classes of common stock, as of the latest practicable date:

Common Stock, \$.01 par value — 14,998,187 shares as of September 5, 2015.

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PART I. Financial Information

Item 1. Financial Statements

Virco Mfg. Corporation
Condensed Consolidated Balance Sheets

	7/31/2015	1/31/2015	7/31/2014
	(In thousands, except share data)		
	Unaudited (Note 1)		Unaudited (Note 1)
Assets			
Current assets			
Cash	\$1,490	\$470	\$1,130
Trade accounts receivables, net	33,883	10,614	29,414
Other receivables	141	43	47
Income tax receivable	288	267	317
Inventories			
Finished goods	16,998	5,602	20,145
Work in process	13,961	11,487	15,161
Raw materials and supplies	10,827	9,589	9,977
	41,786	26,678	45,283
Deferred tax assets, net	156	156	203
Prepaid expenses and other current assets	1,334	743	1,350
Total current assets	79,078	38,971	77,744
Property, plant and equipment			
Land	1,671	1,671	1,671
Land improvements	851	851	1,189
Buildings and building improvements	46,443	47,047	47,047
Machinery and equipment	107,275	110,060	113,152
Leasehold improvements	1,895	1,909	1,957
	158,135	161,538	165,016
Less accumulated depreciation and amortization	122,849	126,317	128,970
Net property, plant and equipment	35,286	35,221	36,046
Deferred tax assets, net	569	624	305
Other assets	6,953	6,995	6,990
Total assets	\$121,886	\$81,811	\$121,085
See accompanying notes.			

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Virco Mfg. Corporation
Condensed Consolidated Balance Sheets

	7/31/2015	1/31/2015	7/31/2014
	(In thousands, except share data)		
	Unaudited (Note 1)		Unaudited (Note 1)
Liabilities			
Current liabilities			
Accounts payable	\$19,240	\$9,901	\$20,382
Accrued compensation and employee benefits	4,793	4,199	3,860
Current portion of long-term debt	24,708	3,366	27,545
Deferred tax liabilities	—	—	—
Other accrued liabilities	7,818	3,939	7,293
Total current liabilities	56,559	21,405	59,080
Non-current liabilities			
Accrued self-insurance retention	2,379	1,730	2,020
Accrued pension expenses	27,907	28,986	23,132
Income tax payable	37	42	37
Long-term debt, less current portion	6,153	6,153	6,000
Other accrued liabilities	976	922	1,092
Total non-current liabilities	37,452	37,833	32,281