

IEC ELECTRONICS CORP  
Form 10-Q  
February 12, 2016  
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 1, 2016

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 0-6508

IEC ELECTRONICS CORP.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

13-3458955  
(I.R.S. Employer Identification No.)

105 Norton Street, Newark, New York 14513  
(Address of Principal Executive Offices) (Zip Code)

315-331-7742  
(Registrant's telephone number, including area code)

Not Applicable  
(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  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

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Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

Common Stock, \$0.01 par value – 10,178,576 shares as of February 8, 2016

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## Part I FINANCIAL INFORMATION

## Item 1. Condensed Financial Statements

IEC ELECTRONICS CORP.  
 CONDENSED CONSOLIDATED BALANCE SHEETS  
 JANUARY 1, 2016 and SEPTEMBER 30, 2015  
 (in thousands, except share and per share data)

	January 1, 2016 (unaudited)	September 30, 2015
<b>ASSETS</b>		
Current assets:		
Cash	\$85	\$407
Accounts receivable, net of allowance	20,070	24,923
Inventories, net	26,177	25,753
Other current assets	1,759	1,444
Total current assets	48,091	52,527
Fixed assets, net	15,288	15,443
Intangible assets, net	124	134
Goodwill	101	101
Other long term assets	317	57
Total assets	\$63,921	\$68,262
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Current portion of long-term debt	\$2,918	\$2,908
Accounts payable	13,320	18,336
Accrued payroll and related expenses	2,906	2,338
Other accrued expenses	1,177	1,318
Customer deposits	5,585	5,761
Total current liabilities	25,906	30,661
Long-term debt	27,306	28,323
Other long-term liabilities	484	590
Total liabilities	53,696	59,574
<b>STOCKHOLDERS' EQUITY</b>		
Preferred stock, \$0.01 par value: 500,000 shares authorized; none issued or outstanding	—	—
Common stock, \$0.01 par value: Authorized: 50,000,000 shares Issued: 11,234,064 and 11,232,017 shares, respectively		
Outstanding: 10,178,576 and 10,196,145 shares, respectively	112	112
Additional paid-in capital	45,899	45,845
Retained earnings/(accumulated deficit)	(34,197)	) (35,740
Treasury stock, at cost: 1,055,488 and 1,035,872 shares, respectively	(1,589	) (1,529
Total stockholders' equity	10,225	8,688

Total liabilities and stockholders' equity	\$63,921	\$68,262
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The accompanying notes are an integral part of these condensed consolidated financial statements.

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IEC ELECTRONICS CORP.  
 CONDENSED CONSOLIDATED INCOME STATEMENTS  
 THREE MONTHS ENDED JANUARY 1, 2016 and DECEMBER 26, 2014  
 (unaudited; in thousands, except share and per share data)

	Three Months Ended	
	January 1, 2016 (unaudited)	December 26, 2014
Net sales	\$32,933	\$28,829
Cost of sales	27,116	25,374
Gross profit	5,817	3,455
Selling and administrative expenses	4,035	3,246
Restatement and related expenses	(50)	(89)
Operating profit/(loss)	1,832	298
Interest and financing expense	289	534
Income/(loss) from continuing operations before income taxes	1,543	(236)
Provision for/(benefit from) income taxes	—	—
Income/(loss) from continuing operations	1,543	(236)
Loss on discontinued operations, net	—	(559)
Net income/(loss)	\$1,543	\$(795)
Basic net income/(loss) per common and common equivalent share:		
Earnings/(loss) from continuing operations	\$0.15	\$(0.02)
Earnings/(loss) from discontinued operations	—	(0.06)
Net earnings/loss	\$0.15	\$(0.08)
Diluted net income/(loss) per common and common equivalent share:		
Earnings/(loss) from continuing operations	\$0.15	\$(0.02)
Earnings/(loss) from discontinued operations	—	(0.06)
Net earnings/loss	\$0.15	\$(0.08)
Weighted average number of common and common equivalent shares outstanding:		
Basic	10,216,587	9,864,927
Diluted	10,216,587	9,864,927

The accompanying notes are an integral part of these condensed consolidated financial statements.

IEC ELECTRONICS CORP.  
CONDENSED CONSOLIDATED STATEMENTS of CHANGES in STOCKHOLDERS' EQUITY  
THREE MONTHS ENDED JANUARY 1, 2016 and