

MEDIFAST INC
Form 10-Q
May 08, 2009

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 March 31, 2009

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 0-23016

MEDIFAST, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of organization)

13-3714405
(I.R.S. employer
Identification no.)

11445 Cronhill Drive
Owings Mills, MD 21117
Telephone Number (410) 581-8042

Indicate by checkmark 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. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by checkmark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

Edgar Filing: MEDIFAST INC - Form 10-Q

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

Class	Outstanding at May 8, 2009
Common stock, \$.001 par value per share	14,689,960 shares

Index

Item I - Financial Information:

Condensed Consolidated Financial Statements (unaudited)

Condensed Consolidated Balance Sheets – March 31, 2009 and December 31, 2008	3
Condensed Consolidated Statements of Income – Three Months Ended March 31, 2009 and 2008	4
Condensed Consolidated Statements of Cash Flows – Three Months Ended March 31, 2009 and 2008	5
Notes to Condensed Consolidated Financial Statements	6
Management Discussion and Analysis of Financial Condition And Results of Operations	12

Item II

Exhibits	17
EX 31.1	
EX 31.2	
EX 32.1	

MEDIFAST, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

March 31, 2009 December 31, 2008

ASSETS		
Current assets:		
Cash and cash equivalents	\$ 6,297,000	\$ 1,841,000
Accounts receivable-net of allowance for doubtful accounts of \$100,000	574,000	448,000
Inventory	12,363,000	13,856,000
Investment securities	1,129,000	1,099,000
Deferred compensation	451,000	531,000
Prepaid expenses and other current assets	1,925,000	2,034,000
Prepaid income tax	1,091,000	1,131,000
Note receivable - current	180,000	180,000
Deferred tax asset	100,000	100,000
Total Current Assets	24,110,000	21,220,000
Property, plant and equipment - net	21,626,000	21,709,000
Trademarks and intangibles - net	5,122,000	5,547,000
Deferred tax asset, net of current portion	1,241,000	1,131,000
Note receivable, net of current portion	1,046,000	1,080,000
Other assets	352,000	350,000
TOTAL ASSETS	\$ 53,497,000	\$ 51,037,000
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued expenses	\$ 4,832,000	\$ 5,130,000
Line of credit	3,179,000	3,164,000
Current maturities of long-term debt	257,000	257,000
Total Current liabilities	8,268,000	8,551,000
Long-term debt, net of current liabilities	4,249,000	4,313,000
Total liabilities	12,517,000	12,864,000
Stockholders' equity:		
Common stock; par value \$.001 per share; 20,000,000 authorized; 14,689,960 and 14,585,960 shares issued and outstanding, respectively	15,000	15,000
Additional paid-in capital	31,227,000	30,787,000
Accumulated other comprehensive (loss)	(447,000)	(389,000)
Retained earnings	17,738,000	15,253,000
	48,533,000	45,666,000
Less: cost of 301,092 and 272,192 shares of common stock		