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PAR TECHNOLOGY CORP
Form 8-K
April 26, 2007

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 8-K

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

Date of Report (Date of earliest event reported): April 26, 2007

PAR TECHNOLOGY CORPORATION

(Exact name of registrant as specified in its charter)

Delaware ----- (State or other jurisdiction of organization)	1-09720 ----- (Commission File Number)	16-1434688 ----- (I.R.S. Employer incorporation or Identification Number)
--------------------------------------------------------------------------	-------------------------------------------------	---------------------------------------------------------------------------------------

PAR Technology Park 8383 Seneca Turnpike New Hartford, NY ----- (Address of principal executive offices)	13413-4991 ----- (Zip Code)
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Registrant's telephone number, including area code: (315) 738-0600

Not Applicable

(Former Name or Former Address, if changed since Last Report)

Item 2.02 Results of Operations and Financial Condition.

- (a) The information, including Exhibits attached hereto, in this Current Report is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities and Exchange Act of 1934, or otherwise subject to the liabilities of that Section. The information in this Current Report shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, except as otherwise expressly stated in such filing.
- (b) On April 26, 2007, PAR Technology Corporation issued a press release

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announcing its results of operation for the quarterly period ending March 31, 2007. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

99.1 Press Release dated April 26, 2007.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PAR TECHNOLOGY CORPORATION

(Registrant)

Date: April 26, 2007

/s/Ronald J. Casciano

Ronald J. Casciano
Vice President, Chief Financial Officer
and Treasurer

EXHIBIT INDEX

Exhibit Number

Description

99.1

Press Release dated April 26, 2007.

Exhibit 99.1 Press Release dated April 26, 2007.

RELEASE: NEW HARTFORD, NY, April 26, 2007

CONTACT: Christopher R. Byrnes (315) 738-0600 ext. 226
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PAR TECHNOLOGY CORPORATION

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-REPORTS FIRST QUARTER RESULTS-

NEW HARTFORD, NY, PAR TECHNOLOGY CORPORATION (NYSE:PTC)

New Hartford, NY--April 26, 2007--PAR Technology Corporation (NYSE:PTC) today announced results from operations for the first quarter ended March 31, 2007.

PAR reported first quarter revenues of \$47.8 million, a 9% decrease over the \$52.6 million reported in the same period a year ago. A net loss for the first quarter of \$1.3 million was reported compared with net income of \$2 million in the first quarter of 2006. The Company reported diluted loss per share of \$0.09 for the first quarter of 2007, compared to diluted earnings per share of \$0.14 for the first quarter of last year.

John W. Sammon, PAR Chairman and CEO commented, "PAR's first-quarter results primarily reflected lower revenues and operating profits for the Hospitality segment of our business. Profits were impacted by revenue weakness in our Quick Service restaurant segment, caused by internal and third party software development delays. Our Government business performed on plan with a small decrease in revenues year over year. With new contract starts, we expect to see this segment return to normal growth trends and remain on plan for the year."

Sammon added, "We are disappointed that 2007 has started out weaker than anticipated and feel that the remainder of this year will be a challenge for our Company. However, we remain confident in the long-term strategy we have initiated for our business. That strategy calls for the continued investment into our SIVA software development program, increasing our distribution capabilities with dealers and resellers and expanding our business in international markets, specifically China and the entire Pacific Rim. Through the continued investment in these initiatives we are providing a strong foundation for our future business."

Statements in this release or by the Company's spokespersons from time to time may contain forward-looking statements. Any statements in this document that do not describe historical facts are forward-looking statements. Forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that all forward-looking statements involve risks and uncertainties, including without limitation, delays in new product introduction, risks in technology development and commercialization, risks in product development and market acceptance of and demand for the Company's products, risks of downturns in economic conditions generally, and in the quick service sector of the hospitality technology market specifically, risks of intellectual property rights associated with competition and competitive pricing pressures, risks associated with foreign sales and high customer concentration, and other risks detailed in the Company's filings with the Securities and Exchange Commission.

ABOUT PAR TECHNOLOGY

PAR Technology Corporation is a leading provider of professional services and enterprise business intelligence software and hardware to the hospitality industry. PAR develops, markets and supports hardware and software products that improve the ability of hospitality business professionals to make timely, fact-based business decisions. The Company is a premier provider of I/T management solutions to hotel and restaurant companies, with over 45,000 installations worldwide in over 100 countries. PAR is a leader in providing computer-based system design and engineering services to the Department of Defense and Federal Government Agencies. PAR Technology Corporation's stock is

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traded on the New York Stock Exchange under the symbol PTC. For more information visit the Company's website at www.partech.com.

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PAR TECHNOLOGY CORPORATION AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS (in thousands, except share amounts) (Unaudited)

	March 31, 2007	December 31, 2006
	-----	-----
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,484	\$ 4,273
Accounts receivable-net	42,938	46,791
Inventories-net	38,841	35,948
Income tax refunds	1,573	1,103
Deferred income taxes	5,323	5,139
Other current assets	3,047	2,737
	-----	-----
Total current assets	94,206	95,991
Property, plant and equipment - net	7,412	7,535
Goodwill	25,811	25,734
Intangible assets - net	10,596	10,695
Other assets	3,188	2,841
	-----	-----
	\$ 141,213	\$ 142,796
	=====	=====
Liabilities and Shareholders' Equity		
Current liabilities:		
Current portion of long-term debt	\$ 387	\$ 240
Borrowings under lines of credit	7,870	7,713
Accounts payable	11,812	12,470
Accrued salaries and benefits	6,724	8,279
Accrued expenses	2,155	1,861
Customer deposits	3,718	3,656
Deferred service revenue	12,933	12,254
	-----	-----
Total current liabilities	45,599	46,473
	-----	-----
Long-term debt	7,535	7,708
	-----	-----
Deferred income taxes	786	653
	-----	-----
Other long-term liabilities	2,298	1,879
	-----	-----
Commitments and contingent liabilities		
Shareholders' Equity:		
Preferred stock, \$.02 par value, 1,000,000 shares authorized	--	--
Common stock, \$.02 par value, 29,000,000 shares authorized; 16,014,135 and 15,980,486 shares issued; 14,361,380 and 14,327,731 outstanding	320	320
Capital in excess of par value	38,906	38,602

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Retained earnings	51,851	53,159
Accumulated other comprehensive loss	(573)	(489)
Treasury stock, at cost, 1,652,755 shares	(5,509)	(5,509)
	-----	-----
Total shareholders' equity	84,995	86,083
	-----	-----
	\$ 141,213	\$ 142,796
	=====	=====

PAR TECHNOLOGY CORPORATION AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF INCOME (in thousands, except per share amounts) (Unaudited)

	For the three months ended March 31,	
	2007	2006
	-----	-----
Net revenues:		
Product	\$ 16,706	\$ 23,020
Service	15,529	13,745
Contract	15,601	15,832
	-----	-----
	47,836	52,597
	-----	-----
Costs of sales:		
Product	10,308	12,798
Service	12,166	10,710
Contract	14,554	14,726
	-----	-----
	37,028	38,234
	-----	-----
Gross margin	10,808	14,363
	-----	-----
Operating expenses:		
Selling, general and administrative	8,709	8,075
Research and development	3,814	2,899
Amortization of identifiable intangible assets	390	307
	-----	-----
	12,913	11,281
	-----	-----
Operating income (loss)	(2,105)	3,082
Other income, net	240	157
Interest expense	(222)	(85)
	-----	-----
Income (loss) before provision for income taxes ...	(2,087)	3,154
Provision (benefit) for income taxes	779	(1,142)
	-----	-----
Net income (loss)	\$ (1,308)	\$ 2,012
	=====	=====
Earnings (loss) per share		
Basic	\$ (.09)	\$.14
Diluted	\$ (.09)	\$.14

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Weighted average shares outstanding

Basic	14,320	14,151
	=====	=====
Diluted	14,320	14,806
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