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PAR TECHNOLOGY CORP
Form 8-K
February 12, 2009

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): February 12, 2009

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)
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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 February 12, 2009, PAR Technology Corporation issued a press release

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announcing its results of operation for the quarterly period ending December 31, 2008. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

99.1 Press Release dated February 12, 2009.

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: February 12, 2009

/s/Ronald J. Casciano

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

EXHIBIT INDEX

Exhibit Number	Description
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99.1	Press Release dated February 12, 2009.

Exhibit 99.1 Press Release dated February 12, 2009.

FOR RELEASE: NEW HARTFORD, NY, February 12, 2009
CONTACT: Christopher R. Byrnes (315) 738-0600 ext. 226
cbyrnes@partech.com, www.partech.com

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PAR TECHNOLOGY CORPORATION

-REPORTS FOURTH QUARTER RESULTS-

- o Q4 Revenues rise 8.6% to record \$65.4 million
- o 2008 record revenues increase 11.1% to \$232.7 million

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

New Hartford, NY-- February 12, 2009 -- PAR Technology Corporation (NYSE: PTC), a leader in providing integrated hardware, software and service solutions to the hospitality industry, and provider of Government I/T solutions and services, today reported financial results for the fourth quarter and year ended December 31, 2008.

For the fourth quarter ended December 31, 2008, PAR Technology Corporation reported revenues of \$65.4 million compared to \$60.2 million in the fourth quarter 2007, an increase of 8.6%. Net income in the period was \$1.5 million versus the \$483,000 earned in the fourth quarter one year ago. The Company reported diluted net earnings per share of \$0.10 for this past quarter, significantly higher than the \$0.03 diluted net earnings per share reported for the same period a year earlier.

For the year ended December 31, 2008, PAR Technology Corporation reported record revenues of \$232.7 million, an increase of 11.1% from the \$209.5 million reported one year ago. The Company also reported net income of \$2.2 million in 2008 versus a net loss of \$2.7 million last year. Diluted net earnings per share in 2008 were reported at \$0.15 compared to diluted net loss per share of \$0.19 reported for the year 2007.

John W. Sammon, PAR Chairman & CEO commented, "Our continued improved performance throughout 2008 demonstrated PAR's ability to successfully capitalize upon our core businesses and their strength during these times of economic uncertainties. Hospitality Technology and our Government business segment both contributed to our record revenue achievement for both the quarter and fiscal year. The quick-serve sector of restaurants and Government outsourcing trend both appear to be resistant to the conditions which are affecting much of our economy."

Sammon went on to say, "We do however, continue to face a number of challenges in our hotel/resort/spa segment and the table-serve and casual dining restaurant sector in light of the present economic challenges. We never-the-less are pleased with our growth in the fourth quarter. We believe our market strength and portfolio of customers, coupled with prudent R&D spending and the positive fundamental drivers for each of our market niches, makes PAR a compelling choice for our customers. Our 2008 growth, along with other indicators for our markets, gives us confidence we are well positioned for the foreseeable future including 2009 and beyond."

Certain Company information in this release or by its 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 restaurant market specifically, risks of intellectual property rights associated with competition and competitive pricing pressures, risks associated with foreign

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sales and high customer concentration, and other risks detailed in the Company's filings with the Securities and Exchange Commission.

PAR Technology Corporation creates and markets products that help hospitality operators around the world to better manage money, materials, people and the guest experience. PAR has provided hardware, software and services to the world's largest restaurant chains and their franchisees for almost 30 years. Today the Company's extensive offering includes technology solutions for the full spectrum of hospitality operations, from boutique hotels and independent table service restaurants to international QSR chains, all backed by PAR's global service network. The Company has over 50,000 installations in 105 countries worldwide. PAR is also 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 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
CONSOLIDATED BALANCE SHEETS
(in thousands, except share amounts)
(Unaudited)

	December 31,	
	2008	2007
Assets		
Current assets:		
Cash and cash equivalents	\$ 6,227	\$ 4,431
Accounts receivable-net	53,582	43,608
Inventories-net	41,132	40,319
Income tax refunds	208	521
Deferred income taxes	5,301	5,630
Other current assets	3,588	3,370
	110,038	97,879
Property, plant and equipment - net	6,879	7,669
Deferred income taxes	1,525	503
Goodwill	25,684	26,998
Intangible assets - net	8,251	9,899
Other assets	1,611	3,570
	\$ 153,988	\$ 146,518
	\$ 153,988	\$ 146,518
Liabilities and Shareholders' Equity		
Current liabilities:		
Current portion of long-term debt	\$ 1,079	\$ 772
Borrowings under lines of credit	8,800	2,500
Accounts payable	15,293	16,978
Accrued salaries and benefits	8,360	9,919
Accrued expenses	3,962	3,860
Customer deposits	6,157	3,898
Deferred service revenue	16,318	14,357
	59,969	52,284
	59,969	52,284

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Long-term debt	5,852	6,932
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Other long-term liabilities	1,910	2,315
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Shareholders' Equity:		
Preferred stock, \$.02 par value, 1,000,000 shares authorized	--	--
Common stock, \$.02 par value, 29,000,000 shares authorized; 16,189,718 and 16,047,818 shares issued; 14,536,963 and 14,395,063 outstanding	324	321
Capital in excess of par value	40,173	39,252
Retained earnings	52,668	50,451
Accumulated other comprehensive income (loss)	(1,399)	472
Treasury stock, at cost, 1,652,755 shares	(5,509)	(5,509)
	-----	-----
Total shareholders' equity	86,257	84,987
	-----	-----
Total Liabilities and Shareholders' Equity	\$ 153,988	\$ 146,518
	=====	=====

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

	For the three months ended December 31,		For the year ended December 31,	
	2008	2007	2008	2007
	-----	-----	-----	-----
Net revenues:				
Product	\$ 23,197	\$ 24,024	\$ 81,763	\$ 77,111
Service	22,131	18,735	75,430	67,377
Contract	20,051	17,440	75,494	64,999
	-----	-----	-----	-----
	65,379	60,199	232,687	209,487
	-----	-----	-----	-----
Costs of sales:				
Product	15,387	13,947	49,440	45,633
Service	14,595	13,788	54,421	51,077
Contract	18,899	16,401	71,376	60,866
	-----	-----	-----	-----
	48,881	44,136	175,237	157,576
	-----	-----	-----	-----
Gross margin	16,498	16,063	57,450	51,911
	-----	-----	-----	-----
Operating expenses:				
Selling, general and administrative	9,866	11,041	36,790	37,511
Research and development	3,724	4,392	15,295	17,151
Amortization of identifiable intangible assets	368	391	1,535	1,577
	-----	-----	-----	-----
	13,958	15,824	53,620	56,239
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Operating income (loss)	2,540	239	3,830	(4,328)
Other income, net	162	483	921	1,221

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Interest expense	(431)	(327)	(1,176)	(1,09
	-----	-----	-----	-----
Income (loss) before provision for income taxes ...	2,271	395	3,575	(4,20
(Provision) benefit for income taxes	(810)	88	(1,358)	1,49
	-----	-----	-----	-----
Net income (loss)	\$ 1,461	\$ 483	\$ 2,217	\$ (2,70
	=====	=====	=====	=====
Earnings (loss) per share				
Basic	\$.10	\$.03	\$.15	\$ (.1
Diluted	\$.10	\$.03	\$.15	\$ (.1
Weighted average shares outstanding				
Basic	14,470	14,361	14,421	14,34
	=====	=====	=====	=====
Diluted	14,689	14,772	14,761	14,34
	=====	=====	=====	=====