AMREP CORP.
Form 8-K
May 31, 2013

UNITED STATES
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): May 31, 2013

AMREP CORPORATION
(Exact name of Registrant as specified in its charter)

Oklahoma	1-4702	59-0936128
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

300 Alexander Park, Suite 204, Princeton, New Jersey	08540
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (609) 716-8200

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions (see General Instruction A.2. below):

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01 Other Events.

An announcement concerning AMREP Corporation’s rights offering is attached hereto as Exhibit 99.1 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
99.1	Press release, dated May 31, 2013, issued by AMREP Corporation.

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 hereunto duly authorized.

AMREP Corporation

Date: May 31, 2013	By:	/s/ Christopher V. Vitale Christopher V. Vitale Vice President, General Counsel and Secretary

EXHIBIT INDEX

Exhibit Number	Description
99.1	Press release, dated May 31, 2013, issued by AMREP Corporation.

ckground:#D6F3E8; '>

$

307,452

$

209,786

Net Income

28,022

17,353

Net Income per Share:

Basic

$

4.10

$

2.54

Diluted

4.10

2.54

Weighted Average Shares Outstanding:

Basic

6,831

6,826

Diluted

6,831

6,827

The unaudited pro forma condensed consolidated results of operations are not necessarily indicative of results that would have occurred had the acquisition occurred as of January 1, 2005, nor are they necessarily indicative of the results that may occur in the future.

M. DISPOSAL ACTIVITIES:

On October 9, 2006, the Company decided to consolidate its adult incontinence production capabilities in its Absorbent Products segment and, as a result, began the process of relocating its adult incontinence manufacturing equipment from its Marietta, Georgia facility to its Eau Claire, Wisconsin facility. This consolidation, which began during the 4th quarter of 2006, was completed during the 1st quarter of 2007 and served to improve the segment s long-term manufacturing efficiencies. As a result of the consolidation, the Georgia facility has been closed. The Company issued a W.A.R.N. (Worker Adjustment and Retraining Notification) notice on October 9, 2006. The total cost of the relocation activities was $950,000, including $760,000 for the disassembly, transportation, installation of machinery and equipment and other related costs and $190,000 for one-time termination benefits to affected employees. During 2007, $320,000 was incurred for the disassembly, transportation, installation of machinery and equipment and other related costs, and $180,000 was incurred for one-time termination benefits to affected employees. Expenses related to the above disposal activities are included in Cost of Sales. With the exception of one time termination benefits and capital expenditures related to the shut-down of the Georgia facility, costs will be expensed as incurred, consistent with the requirements of SFAS No. 146, *Accounting for Costs Associated with Exit or Disposal Activities*, as employee services are performed and other associated costs are incurred.

At December 31, 2006, the Company had accrued $79,000 related to the one-time termination benefit, all of which was paid during 2007.

N. BUSINESS SEGMENTS:

The Company operates in three business segments. The Company identifies its segments based on the Company s organization structure, which is primarily by principal products. The principal product groups are Housewares/Small Appliances, Defense Products, and Absorbent Products.

The Housewares/Small Appliances Segment designs, markets, and distributes housewares and small appliances. These products are sold directly to retail outlets throughout the United States and also through independent distributors. As more fully described in Note J, the Company primarily sources its Housewares/Small Appliance products from nonaffiliated suppliers located in the Orient. Sales are seasonal, with the normal peak sales period occurring in the fourth quarter of the year prior to the holiday season.

The Defense Segment was started in February 2001 with the acquisition of AMTEC Corporation which manufactures precision mechanical and electromechanical assemblies for the U.S. government and prime contractors. During 2005, AMTEC Corporation was one of two prime contractors selected by the Army to supply all requirements for the 40mm family of practice and tactical ammunition rounds for a period of five years. AMTEC s manufacturing plant is located in Janesville, Wisconsin. During 2003, this segment was expanded with the acquisition of Spectra Technologies LLC of East Camden, Arkansas. This facility performs Load, Assemble, and Pack (LAP) operations on ordnance-related products for the U.S. government and prime contractors. The segment was further augmented with the acquisition of certain assets of Amron, LLC of Antigo, Wisconsin during 2006.This facility primarily manufactures cartridge cases used in medium caliber (20-40mm) ammunition. See Note L.

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The Absorbent Product Segment was started on November 19, 2001 with the acquisition of certain assets from RMED International, Inc, forming Presto Absorbent Products, Inc. This company manufactures diapers and, starting in 2004, adult incontinence products at the Company s facilities in Eau Claire, Wisconsin. The products are sold to distributors and other absorbent product manufacturers. During 2003, this segment was expanded with the purchase of the assets of NCN Hygienic Products, Inc., a Marietta, Georgia, manufacturer of adult incontinence products and training pads for dogs. The Company has since decided to close the Georgia facility and consolidate the absorbent products manufacturing in the Eau Claire, Wisconsin facility. It no longer manufactures dog pads. See Note M.

In the following summary, operating profit represents earnings before other income, principally interest income and income taxes. The Company s segments operate discretely from each other with no shared manufacturing facilities. Costs associated with corporate activities (such as cash and marketable securities management) and the assets associated with such activities are included within the Housewares/Small Appliances segment for all periods presented.

	(in thousands) Housewares / Small Appliances	**Defense Products** [2]	**Absorbent Products**	**Total**
Year ended December 31, 2007				
External net sales	$ 131,267	$ 224,384	$ 65,065	$ 420,716
Gross profit (loss)	29,658	48,294	(1,597)	76,355
Operating profit (loss)	19,931	36,700	(2,671)	53,960
Total assets	223,115	103,653	47,908	374,676
Depreciation and amortization	790	2,729	4,966	8,485
Capital expenditures	916	4,821	487	6,224
Year ended December 31, 2006				
External net sales	$ 124,455	$ 126,849	$ 53,377	$ 304,681
Gross profit	32,809	28,762	(5,228)	56,343
Operating profit	22,441	20,262	(6,673)[1]	36,030

Total assets	213,032	80,043	51,901	344,976
Depreciation and amortization	812	2,007	5,072	7,891
Capital expenditures	1,314	18,627	1,078	21,019
Year ended December 31, 2005				
External net sales	$ 111,987	$ 36,954	$ 35,624	$ 184,565
Gross profit	30,975	9,564	(2,258)	38,281
Operating profit	21,139	5,797	(7,255)(1)	19,681
Total assets	232,458	28,471	46,486	307,415
Depreciation and amortization	927	305	3,013	4,245
Capital expenditures	802	2,137	10,893	13,832

(1) The operating profit reflects goodwill impairment of $500,000 and $4,148,000 in 2006 and 2005, respectively, which is more fully described in Note A(8).
(2) The Defense segment for 2007 and 2006 includes revenue and earnings related to the acquisition of certain assets of Amron, LLC. See Note L.

O. OPERATING LEASES
The Company leases office, manufacturing, and warehouse facilities and equipment under noncancelable operating leases. Rent expense was approximately $1,113,000, $963,000, and $773,000 for the years ended December 31, 2007, 2006, and 2005, respectively. Future minimum annual rental commitments are as follows:

	(In Thousands)
Years ending December 31:	
2008	$ 408
2009	250
2010	248
2011	248
2012	231
Thereafter	2,220
	$ 3,605

P. INTERIM FINANCIAL INFORMATION (UNAUDITED):
The following represents quarterly unaudited financial information for 2007 and 2006:

	(In Thousands)				
Quarter	**Net Sales**	**Gross Profit**	**Net Earnings**	**Earnings per Share (Basic)**	**Earnings per Share (Diluted)**
2007					
First	$ 81,070	$ 12,314	$ 5,021	$ 0.73	$ 0.73
Second	96,186	15,469	6,949	$ 1.02	$ 1.02
Third	99,492	18,429	8,712	$ 1.27	$ 1.27

Fourth	143,968	30,143	17,941	$ 2.63	$ 2.63
Total	$ 420,716	$ 76,355	$ 38,623	$ 5.65	$ 5.65
2006					
First	$ 45,053	$ 5,284	$ 1,918	$ 0.28	$ 0.28
Second	58,014	8,911	3,614	$ 0.53	$ 0.53
Third	81,531	15,825	7,180	$ 1.05	$ 1.05
Fourth	120,083	26,323	15,248	$ 2.23	$ 2.23
Total	$ 304,681	$ 56,343	$ 27,960	$ 4.09	$ 4.09

As shown above, fourth quarter sales are significantly impacted by the holiday driven seasonality of the Housewares/Small Appliance segment. This segment builds inventory during the first three quarters to meet the sales demand of the fourth quarter. Although the other segments are typically non-seasonal, the increase in sales and profits in the first and second quarters of 2007 also reflect the defense segment s shipments under the 40mm systems contract which started in the third quarter of 2006.

Q. LINE OF CREDIT

The Company maintains an unsecured line of credit for short term operating cash needs. The line of credit is renewed each year at the end of the second quarter. As of both December 31, 2007 and 2006, the line of credit limit was set at $10,000,000, with $0 outstanding on both dates. The interest rate on the line of credit is reset monthly to the London Inter-Bank Offered Rate (LIBOR) plus one half of one percent.

R. SUBSEQUENT EVENT

On February 29, 2008, the Company s Board of Directors announced an increase in the regular dividend from $.95 to $ 1.00 per share, plus an extra of $3.25. On March 14, 2008, a payment of $29,067,000 was made to the shareholders of record as of March 10, 2008.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders

National Presto Industries, Inc.

Eau Claire, Wisconsin

We have audited the accompanying consolidated balance sheet of National Presto Industries, Inc. as of December 31, 2007 and the related consolidated statements of earnings, stockholders equity, and cash flows for the year then ended. In connection with our audits of the financial statements, we have also audited the accompanying Schedule II, Valuation and Qualifying Accounts for the year ended December 31, 2007. These financial statements and schedule are the responsibility of the Company s management. Our responsibility is to express an opinion on these financial statements and schedules based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and schedules. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements and schedule referred to above present fairly, in all material respects, the financial position of National Presto Industries, Inc. at December 31, 2007 and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note H to the financial statements, effective January 1, 2007 the Company adopted FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes- an Interpretation of FASB No. 109.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the effectiveness of National Presto Industries, Inc. s internal control over financial reporting as of December 31, 2007, based on criteria established in Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and our report dated March 17, 2008 expressed an adverse opinion thereon.

/s/ BDO Seidman, LLP

Milwaukee, Wisconsin

March 17, 2008

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders, Audit Committee and Board of Directors

National Presto Industries, Inc.

Eau Claire, Wisconsin

We have audited the accompanying consolidated balance sheet of National Presto Industries, Inc. as of December 31, 2006, and the related consolidated statements of earnings, stockholders' equity and cash flows for each of the two years in the period ended December 31, 2006. These consolidated financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of National Presto Industries, Inc. as of December 31, 2006 and the results of its operations and cash flows for each of the two years in the period ended December 31, 2006, in conformity with U.S. generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The supplementary information, Schedule II - Valuation and Qualifying Accounts, is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

/s/ Virchow, Krause & Company, LLP

Minneapolis, Minnesota

August 23, 2007

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NATIONAL PRESTO INDUSTRIES, INC. AND SUBSIDIARIES

SCHEDULE II VALUATION AND QUALIFYING ACCOUNTS

For the Years Ended December 31, 2007, 2006 and 2005

Column A	**(In thousands)** **Column B**	**Column C**	**Column D**	**Column E**
Description	**Balance at Beginning of Period**	**Additions (A)**	**Deductions (B)**	**Balance at End of Period**
Deducted from assets: Allowance for doubtful accounts:				
Year ended December 31, 2007	$ 703	$ 2	$ 2	$ 703
Year ended December 31, 2006	$ 480	$ 417	$ 194	$ 703
Year ended December 31, 2005	$ 480	$ 1	$ 1	$ 480

Notes:

(A) Amounts charged (credited) to selling and general expenses

(B) Principally bad debts written off, net of recoveries

Column A	**(In thousands)** **Column B**	**Column C**	**Column D**	**Column E**
Description	**Balance at Beginning of Period**	**Additions**	**Deductions**	**Balance at End of Period**
Valuation allowance for deferred tax assets				
Year ended December 31, 2007	$	$ 598	$	$ 598
Year ended December 31, 2006	$	$	$	$
Year ended December 31, 2005	$	$	$	$