EDUCATIONAL DEVELOPMENT CORP
Form 10-Q
January 16, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended November 30, 2017
OR
TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ___________ to ____________.

Commission file number: 000-04957

EDUCATIONAL DEVELOPMENT CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	73-0750007
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

5402 South 122nd East Avenue, Tulsa, Oklahoma	74146
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (918) 622-4522

Indicate by check mark whether the registrant (1) has filed all reports 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 (§ 229.405 of this chapter) 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 definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	Accelerated filer
Non-accelerated filer	Smaller reporting company
	Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

As of January 12, 2018, there were 4,088,934 shares of Educational Development Corporation Common Stock, $0.20 par value outstanding.

TABLE OF CONTENTS

CAUTIONARY REMARKS REGARDING FORWARD-LOOKING STATEMENTS

The information discussed in this Quarterly Report on Form 10-Q includes “forward-looking statements.” These forward-looking statements are identified by their use of terms and phrases such as “may,” “expect,” “estimate,” “project,” “plan,” “believe,” “intend,” “achievable,” “anticipate,” “continue,” “potential,” “should,” “could,” and similar terms and phrase Although we believe that the expectations reflected in these forward-looking statements are reasonable, they do involve certain assumptions, risks and uncertainties, and we can give no assurance that such expectations or assumptions will be achieved. Important factors that could cause actual results to differ materially from those in the forward-looking statements are described under “Item 7 – Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the year ended February 28, 2017 and in this Quarterly Report. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements in this paragraph and elsewhere in this Quarterly Report on Form 10-Q and speak only as of the date of this Quarterly Report on Form 10-Q. Other than as required under the securities laws, we do not assume a duty to update these forward-looking statements, whether as a result of new information, subsequent events or circumstances, changes in expectations or otherwise.

Table of Contents

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

EDUCATIONAL DEVELOPMENT CORPORATION
CONDENSED BALANCE SHEETS (UNAUDITED)

ASSETS	November 30, 2017	February 28, 2017
CURRENT ASSETS:		
Cash and cash equivalents	$6,141,300	$699,200
Accounts receivable, less allowance for doubtful accounts and sales returns of $637,000 (November 30) and $675,000 (February 28)	3,834,700	2,917,000
Inventories—Net	24,455,900	34,253,100
Prepaid expenses and other assets	999,900	695,200
Total current assets	35,431,800	38,564,500
NONCURRENT INVENTORIES —Net	196,300	192,100
PROPERTY, PLANT AND EQUIPMENT—Net	27,453,100	27,034,300
OTHER ASSETS	61,400	61,400
DEFERRED INCOME TAXES	-	128,000
TOTAL ASSETS	$63,142,600	$65,980,300
LIABILITIES AND SHAREHOLDERS’ EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$10,263,600	$17,565,300
Line of credit	-	4,882,900
Deferred revenue	661,700	633,100
Current maturities of long-term debt	1,239,500	898,500
Accrued salaries and commissions	4,144,900	1,379,700
Income taxes payable	1,989,000	1,519,400
Other current liabilities	4,432,200	3,218,200
Total current liabilities	22,730,900	30,097,100
LONG-TERM DEBT-Net of current maturities	20,686,000	20,665,800
DEFERRED INCOME TAXES	51,400	-
OTHER LONG-TERM LIABILITIES	106,000	-
Total liabilities	43,574,300	50,762,900
COMMITMENTS (Note 8)		
SHAREHOLDERS’ EQUITY:		
Common stock, $0.20 par value; Authorized 8,000,000 shares; Issued 6,046,040 (November 30) and 6,041,040 (February 28) shares; Outstanding 4,088,934 (November 30) and 4,090,074 (February 28) shares	1,209,200	1,208,200

Capital in excess of par value	8,573,300	8,548,000
Retained earnings	20,708,400	16,317,800
	30,490,900	26,074,000
Less treasury stock, at cost	(10,922,600)	(10,856,600)
Total shareholders' equity	19,568,300	15,217,400
TOTAL LIABILITIES AND SHAREHOLDERS’ EQUITY	$63,142,600	$65,980,300

See notes to condensed financial statements.

Table of Contents

EDUCATIONAL DEVELOPMENT CORPORATION

CONDENSED STATEMENTS OF EARNINGS (UNAUDITED)

	Three Months Ended November 30,		Nine Months Ended November 30,	
	2017	2016	2017	2016
GROSS SALES	$41,894,600	$34,397,300	$100,989,500	$91,657,200
Less discounts and allowances	(6,762,300)	(6,948,000)	(19,929,300)	(20,581,900)
Transportation revenue	3,775,700	3,248,300	8,959,900	8,299,500
NET REVENUES	38,908,000	30,697,600	90,020,100	79,374,800
COST OF GOODS SOLD	10,494,800	8,328,100	24,579,200	22,500,300
Gross margin	28,413,200	22,369,500	65,440,900	56,874,500
OPERATING EXPENSES:				
Operating and selling	7,837,300	6,520,300	17,549,900	16,790,900
Sales commissions	12,510,400	9,521,000	28,759,300	24,802,200
General and administrative	4,735,200	4,525,900	12,359,600	12,237,600
Total operating expenses	25,082,900	20,567,200	58,668,800	53,830,700
OTHER INCOME (EXPENSE):				
Interest expense	(287,600)	(265,000)	(863,800)	(730,000)
Other income	390,100	502,800	1,189,400	1,251,600
Total other income	102,500	237,800	325,600	521,600
EARNINGS BEFORE INCOME TAXES	3,432,800	2,040,100	7,097,700	3,565,400
INCOME TAXES	1,304,400	765,900	2,707,100	1,352,500
NET EARNINGS	$2,128,400	$1,274,200	$4,390,600	$2,212,900
BASIC AND DILUTED EARNINGS PER SHARE:				
Basic	$0.52	$0.31	$1.07	$0.54
Diluted	$0.52	$0.31	$1.07	$0.54
DIVIDENDS PER SHARE	$0.00	$0.09	$0.00	$0.27
WEIGHTED AVERAGE NUMBER OF COMMON AND EQUIVALENT SHARES OUTSTANDING:				
Basic	4,087,268	4,079,916	4,087,686	4,074,355
Diluted	4,090,011	4,084,863	4,090,053	4,079,833

See notes to condensed financial statements.

Table of Contents

EDUCATIONAL DEVELOPMENT CORPORATION
CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)
FOR THE NINE MONTHS ENDED NOVEMBER 30, 2017

	Common Stock (par value $0.20 per share)				Treasury Stock		
	Number of Shares Issued	Amount	Capital in Excess of Par Value	Retained Earnings	Number of Shares	Amount	Shareholders' Equity
BALANCE—March 1, 2017	6,041,040	$1,208,200	$8,548,000	$16,317,800	1,950,966	$(10,856,600)	$15,217,400
Exercise of stock options	5,000	1,000	25,300	-	-	-	26,300
Purchases of treasury stock	-	-	-	-	10,041	(98,000)	(98,000)
Sales of treasury stock	-	-	-	-	(3,901)	32,000	32,000
Net earnings	-	-	-	4,390,600	-	-	4,390,600
BALANCE—November 30, 2017	6,046,040	$1,209,200	$8,573,300	$20,708,400	1,957,106	$(10,922,600)	$19,568,300

Table of Contents

EDUCATIONAL DEVELOPMENT CORPORATION
CONDENSED STATEMENTS OF CASH FLOWS (UNAUDITED)
FOR THE NINE MONTHS ENDED NOVEMBER 30,

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net earnings	$4,390,600	$2,212,900
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities		
Depreciation	911,700	780,400
Deferred income taxes	179,400	(35,400)
Provision for doubtful accounts	438,000	558,900
Provision for inventory valuation allowance	33,000	(37,300)
Changes in assets and liabilities:		
Accounts receivable	(1,355,700)	(1,994,200)
Inventories, net	9,760,000	(16,775,100)
Prepaid expenses and other assets	(304,700)	(1,661,300)
Accounts payable	(7,301,700)	6,889,100
Deferred revenue	28,600	6,632,500
Accrued salaries and commissions	2,765,200	375,600
Other liabilities	1,320,000	2,307,700
Income taxes payable	469,600	576,800
Total adjustments	6,943,400	(2,382,300)
Net cash provided by (used in) operating activities	11,334,000	(169,400)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(1,330,500)	(2,123,600)
Net cash used in investing activities	(1,330,500)	(2,123,600)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on long-term debt	(657,800)	(530,200)
Proceeds from long-term debt	1,019,000	4,000,000
Cash received from sales of treasury stock	32,000	170,700
Cash used to purchase treasury stock	(98,000)	(200)
Proceeds from the issuance of stock options	26,300	-
Net payments under the line of credit	(4,882,900)	(451,800)
Dividends paid	-	(1,099,500)
Net cash provided by (used in) financing activities	(4,561,400)	2,089,000
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	5,442,100	(204,000)
CASH AND CASH EQUIVALENTS—BEGINNING OF PERIOD	699,200	1,183,700
CASH AND CASH EQUIVALENTS—END OF PERIOD	$6,141,300	$979,700
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for interest	$868,900	$730,000
Cash paid for income taxes	$2,058,100	$811,100

See notes to condensed financial statements.

6

Table of Contents

NOTES TO CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

Note 1 – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying Unaudited Condensed Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) for interim condensed financial information and in accordance with the rules and regulations of the Securities and Exchange Commission. The Unaudited Condensed Financial Statements include all adjustments considered necessary for a fair presentation of the financial position and results of operations for the interim periods presented. Such adjustments consist only of normal recurring items, unless otherwise disclosed herein. Accordingly, the Unaudited Condensed Financial Statements do not include all of the information and notes required by GAAP for complete financial statements. However, we believe that the disclosures made are adequate to make the information not misleading. These interim Unaudited Condensed Financial Statements should be read in conjunction with our audited financial statements as of and for the year ended February 28, 2017 included in our Form 10-K. The results of operations for interim periods are not necessarily indicative of the results to be expected for a full year due to the seasonality of our product sales.

Reclassifications

Certain reclassifications have been made to the fiscal 2017 condensed balance sheet and condensed statement of earnings to conform to the classifications used in fiscal 2018. These reclassifications had no effect on net earnings.

Use of Estimates in the Preparation of Financial Statements

The preparation of the Unaudited Condensed Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in these financial statements and accompanying notes. Actual results could differ from those estimates.

Significant Accounting Policies

Our significant accounting policies are consistent with those disclosed in Note 1 to our audited financial statements as of and for the year ended February 28, 2017, included in our Form 10-K.

New Accounting Pronouncements

The Financial Accounting Standards Board (“FASB”) periodically issues new accounting standards in a continuing effort to improve standards of financial accounting and reporting. We have reviewed the recently issued accounting standards updates (“ASU”) and concluded that the following recently issued accounting standards apply to us.

In May 2014, FASB issued ASU No. 2014-09, and amended with ASU No. 2015-14 “Revenue from Contracts with Customers,” which provides a single revenue recognition model which is intended to improve comparability over a range of industries, companies and geographical boundaries and will also result in enhanced disclosures. The changes are effective for fiscal years, and interim periods within those years, beginning after December 15, 2017, which means the first quarter of our fiscal year 2019. We do not expect the adoption of this ASU will have a significant impact on the Company’s financial position, results of operations and cash flows.

In July 2015, FASB issued ASU No. 2015-11 "Inventory - Simplifying the Measurement of Inventory", which is intended to allow measurement of inventory at the lower of cost and net realizable value. Net realizable value is the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. This ASU became effective for the Company on March 1, 2017. The adoption of this ASU did not have a material impact on the Company’s financial position, results of operations and cash flows.

In November 2015, FASB issued ASU No. 2015-17, “Income Taxes - Balance Sheet Classification of Deferred Taxes,” which is intended to improve how deferred taxes are classified on organizations’ balance sheets by eliminating the current requirement for organizations to present deferred tax liabilities and assets as current and noncurrent in a classified balance sheet. Instead, organizations will now be required to classify all deferred tax assets and liabilities as noncurrent. The changes are effective for financial statements issued for annual periods beginning after December 15, 2016, and interim periods within those annual periods, which means the first quarter of our fiscal year 2018. We have retrospectively implemented this new presentation in our condensed financial statements. As such, for the period ending of February 28, 2017, we reclassified $466,000 of current deferred tax assets to noncurrent assets and netted $338,000 of deferred tax liabilities against the balance on the condensed balance sheet. The adoption of this ASU did not affect our statements of earnings.

In February 2016, FASB issued ASU No. 2016-02, “Leases,” which is intended to establish a comprehensive new lease accounting model. The new standard clarifies the definition of a lease, requires a dual approach to lease classification similar to current lease classifications, and causes lessees to recognize leases on the balance sheet as a lease liability with a corresponding right-of-use asset. The new standard is effective for interim and annual periods beginning after December 15, 2018, which means the first quarter of our fiscal year 2020. The new standard requires a modified retrospective transition for capital or operating leases existing at or entered into after the beginning of the earliest comparative period presented in the financial statements. We are currently reviewing the ASU and evaluating the potential impact on our financial statements.

In March 2016, FASB issued ASU No. 2016-09, “Compensation - Stock Compensation: Improvements to Employee Share-Based Payment Accounting,” which is intended to simplify several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. This ASU became effective for the Company on March 1, 2017. The adoption of this ASU did not have a material impact on the Company's financial position, results of operations and cash flows.

In June 2016, FASB issued ASU No. 2016-13 "Financial Instruments—Credit Losses", which requires a financial asset (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected.   The new standard is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years, which means the first quarter of our fiscal year 2021. We expect the implementation of this ASU will not have a significant impact on our financial statements.

In May 2017, FASB issued ASU 2017-09, “Compensation - Stock Compensation (Topic 718): Scope of Modification Accounting.” This update amends the scope of modification accounting surrounding share-based payment arrangements as issued in ASU 2016-09 by providing guidance on the various types of changes which would trigger modification accounting for share-based payment awards. This ASU is effective for annual periods beginning after December 15, 2017, and interim periods within those annual periods, which means the first quarter of our fiscal year 2019. Early adoption is permitted, including adoption in any interim period, for public business entities for reporting periods for which financial statements have not yet been issued. We do not expect the adoption of ASU 2017-09 to have a material effect on our financial position, results of operations and cash flows.

Note 2 – INVENTORIES

Inventories consist of the following:

	2017 November 30,	February 28,

Current:		
Book inventory	$24,480,900	$34,278,100
Inventory valuation allowance	(25,000)	(25,000)
Inventories net–current	$24,455,900	$34,253,100
Noncurrent:		
Book inventory	$502,200	$467,100
Inventory valuation allowance	(305,900)	(275,000)
Inventories net–noncurrent	$196,300	$192,100

Table of Contents

Book inventory quantities in excess of what we expect will be sold within the normal operating cycle, based on 2.5 years of anticipated sales, are included in noncurrent inventory.

Significant portions of our inventory purchases are concentrated with an England-based publishing company. Purchases from this company were approximately $6.9 million and $10.9 million for the three months ended November 30, 2017 and 2016, respectively. Total inventory purchases from all suppliers were $10.9 million and $15.2 million for the three months ended November 30, 2017 and 2016, respectively.

Purchases from this company were approximately $18.2 million and $29.9 million for the nine months ended November 30, 2017 and 2016, respectively. Total inventory purchases from all suppliers were $27.5 million and $43.7 million for the nine months ended November 30, 2017 and 2016, respectively.

Note 3 – PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following:

	2017 November 30,	February 28,
Land	$4,107,200	$4,107,200
Building	20,321,800	20,321,800
Building improvements	1,750,100	1,692,500
Machinery and equipment	6,493,200	5,230,700
Furniture and fixtures	109,000	101,600
	32,781,300	31,453,800
Less accumulated depreciation	(5,328,200)	(4,419,500)
Net property, plant and equipment	$27,453,100	$27,034,300

During fiscal year 2018, the Company purchased and installed new warehouse equipment and made software enhancements to increase its daily shipping capacity.

Note 4 – DEBT

Debt consists of the following:

	2017 November 30,	February 28,
Line of credit	$-	$4,882,900
Long-term debt (net of debt issue costs)	$21,925,500	$21,564,300
Less current maturities	(1,239,500)	(898,500)
LONG-TERM DEBT-net of current maturities	$20,686,000	$20,665,800

We have a Loan Agreement dated as of March 10, 2016 (as amended the “Loan Agreement”) with MidFirst Bank (“the Bank”) which includes multiple loans. Term Loan #1 is comprised of Tranche A totaling $13.4 million and Tranche B totaling $5.0 million, both with the maturity date of December 1, 2025. Tranche A has a fixed interest rate of 4.23% and interest is payable monthly. Tranche B interest is payable monthly at the bank adjusted LIBOR Index plus a tiered pricing rate based on the Company's Adjusted Funded Debt to EBITDA Ratio (4.41% at November 30, 2017). Term Loan #1 is secured by the primary office, warehouse and land. The outstanding borrowings on Tranche A were $12,566,300 and $12,902,800 at November 30, 2017 and February 28, 2017, respectively. The outstanding borrowings on Tranche B were $4,717,900 and $4,813,800 at November 30, 2017 and February 28, 2017, respectively.

Table of Contents

We also have Term Loan #2 with the Bank in the amount of $4.0 million with the maturity date of June 28, 2021, and interest payable monthly at the bank adjusted LIBOR Index plus a tiered pricing rate based on the Company's Adjusted Funded Debt to EBITDA Ratio (4.41% at November 30, 2017). Term Loan #2 is secured by our secondary warehouse and land. The Loan Agreement also provided a $15.0 million revolving loan ("line of credit") through June 15, 2018 with interest payable monthly at the bank adjusted LIBOR Index plus a tiered pricing rate based on the Company's Adjusted Funded Debt to EBITDA Ratio (4.41% at November 30, 2017). The outstanding borrowings on Term Loan #2 were $3,639,000 and $3,847,700 at November 30, 2017 and February 28, 2017, respectively. We had $0 and $4,882,900 in borrowings outstanding on line of credit at November 30, 2017 and February 28, 2017, respectively. Available credit under the revolving credit agreement was $9,105,500 at November 30, 2017 and $2,117,100 at February 28, 2017.

The Loan Agreement was amended on June 15, 2017 to include an advancing term loan (the "Advancing Term Loan") of $3.0 million which the Company will use to cover up to ninety percent of the cost of planned fiscal 2018 capital improvements to increase its daily shipping capacity. The Advancing Term Loan accrues interest monthly, at the bank adjusted LIBOR Index plus a tiered pricing rate based on the Company's Adjusted Funded Debt to EBITDA Ratio (4.41% at November 30, 2017), between June 15 and December 15, 2017, at which time the amount advanced was converted to a term loan and will amortized over a thirty-six-month period. The outstanding borrowings on the Advancing Term Loan was $1,019,100 at November 30, 2017.

The Company has capitalized certain debt issue costs associated with amending the Loan Agreement and these costs are being amortized over the term of the respective borrowings. Unamortized debt issues costs were $16,800 at November 30, 2017.

The Tranche B, the line of credit, the Term Loan #2 and the Advancing Term Loan all accrue interest at a tiered rate based on our Adjusted Funded Debt to EBITDA ratio which is payable monthly. The current pricing tier is as follows:

Pricing Tier	Adjusted Funded Debt to EBITDA Ratio	LIBOR Margin (bps)
I	>3.00	350.50
II	>2.50 but <3.00	337.50
III	>2.00 but <2.50	325.00
IV	≤2.00	312.50

Adjusted Funded Debt is defined as all long term and short-term bank debt less the outstanding balances of Tranche A and Trance B Term Loans. EBITDA is defined in the Loan Agreement as earnings before interest expense, income tax expense (benefit) and depreciation and amortization expenses. The $15.0 million line of credit is limited to advance rates on eligible receivables and eligible inventory levels.

The President and Chief Executive Officer and his wife have executed a Guaranty Agreement obligating them to repay $3,680,000 of any unpaid Term Loans, unpaid accrued interest and any recourse amounts as defined in the Continuing Guaranty Agreement.

The Loan Agreement contains a provision for our use of the Bank's letters of credit. The Bank agrees to issue, or obtain issuance of commercial or stand-by letters of credit provided that no letters of credit will have an expiry date later than June 15, 2018, and that the sum of the line of credit plus the letters of credit would not exceed the borrowing base in effect at the time. For the quarter ended November 30, 2017, we had no letters of credit outstanding.

The Loan Agreement also contains provisions that require us to maintain specified financial ratios, restrict transactions with related parties, prohibit mergers or consolidation, disallow additional debt, and limit the amount of compensation, salaries, investments, capital expenditures, leasing transactions we can make on a quarterly basis. Additionally, the Loan Agreement suspends dividends and stock buybacks.

Table of Contents

Note 5 – EARNINGS PER SHARE

Basic earnings per share (“EPS”) is computed by dividing net earnings by the weighted average number of common shares outstanding during the period. Diluted EPS is based on the combined weighted average number of common shares outstanding and dilutive potential common shares issuable which include, where appropriate, the assumed exercise of options. In computing diluted EPS we have utilized the treasury stock method. The computation of weighted average common and common equivalent shares used in the calculation of basic and diluted EPS is shown below.

	Three Months Ended November 30,		Nine Months Ended November 30,	
	2017	2016	2017	2016
Net earnings	$2,128,400	$1,274,200	$4,390,600	$2,212,900
Shares:				
Weighted average shares outstanding – basic	4,087,268	4,079,916	4,087,686	4,074,355
Assumed exercise of options	2,743	4,947	2,367	5,478
Weighted average shares outstanding – diluted	4,090,011	4,084,863	4,090,053	4,079,833