

Edgar Filing: EMERSON RADIO CORP - Form 8-K

EMERSON RADIO CORP  
Form 8-K  
August 15, 2003

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): August 12, 2003

EMERSON RADIO CORP.  
(Exact Name of Registrant as Specified in Charter)

|   |  |  |
|---|--|--|
| Delaware<br>(State Or Other Jurisdiction<br>Of Incorporation) | 0-25226<br>(Commission<br>File Number) | 22-3285224<br>(IRS Employer<br>Identification No.) |
|---|--|--|

|  |                     |
|--|---------------------|
| 9 Entin Road, Parsippany, New Jersey<br>(Address of Principal Executive Offices) | 07054<br>(Zip Code) |
|--|---------------------|

Registrant's telephone number, including area code: (973) 884-5800

Not Applicable  
(Former Address, if changed since Last Report) (Zip Code)

ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On August 12, 2003, Emerson Radio Corp. (the "Company") held an earnings teleconference call during which it discussed free cash flow. Free cash flow is comprised of earnings before interest, income taxes, cumulative effect of change in accounting principle, depreciation and amortization, less capital expenditures and the change in the Company's working capital. Free cash flow represents the cash generated by the Company's business operations that is available to be used to repurchase common stock, repay debt obligations and invest in future growth through new business development activities or acquisitions. Such metric is useful to management and the Company's investors in measuring the Company's ability to execute upon these initiatives. Free cash flow is not a measure recognized under generally accepted accounting principles ("GAAP") and should not be construed as a substitute in measuring operating results or liquidity. Such metric may not be comparable to similarly titled measures used by other companies.

The Company's determination of free cash flow is as follows:

EMERSON RADIO CORP. AND SUBSIDIARIES  
RECONCILIATION OF NON-GAAP FINANCIAL MEASUREMENT  
(IN THOUSANDS)

| Quarter Ended    |                  |
|------------------|------------------|
| June 30,<br>2003 | June 30,<br>2002 |

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|   |          |            |
|---|----------|------------|
|   | -----    | -----      |
| Net loss .....  | \$ (445) | \$ (2,886) |
| Add (deduct):   |          |            |
| Interest expense .....                                    | 414      | 787        |
| Income tax net of cash paid .....                         | (135)    | (2,151)    |
| Depreciation and amortization .....                       | 811      | 841        |
| Cumulative effect of change in accounting principle ..... | --       | 5,546      |
|   | -----    | -----      |
| Change in working capital .....                           | 9,245    | 326        |
|   | -----    | -----      |
| Capital expenditures .....                                | (80)     | (165)      |
|   | -----    | -----      |
| Free cash flow .....                                      | \$ 9,810 | \$ 2,298   |
|   | -----    | -----      |

This Current Report on Form 8-K is being furnished by the Company pursuant to Item 12 of Form 8-K, insofar as it discloses historical information regarding the Company's results of operations and financial condition as of, and for the first quarter ended, June 30, 2003. This Current Report on Form 8-K and the information contained herein will be available on the Company's website at [www.emersonradio.com](http://www.emersonradio.com).

In accordance with General Instruction B.6 of Form 8-K, the information in this Current Report on Form 8-K shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

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SIGNATURE

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.

EMERSON RADIO CORP.

By: /s/ Kenneth A. Corby

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Name: Kenneth A. Corby  
Title: Executive Vice President and Chief  
Financial Officer

Dated: August 15, 2003

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