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PAR TECHNOLOGY CORP
Form 8-K
February 11, 2008

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 11, 2008

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 11, 2008, PAR Technology Corporation issued a press release

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announcing its results of operation for the quarterly period ending December 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 February 11, 2008.

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 11, 2008

/s/Ronald J. Casciano

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

EXHIBIT INDEX

Exhibit Number -----	Description -----
99.1	Press Release dated February 11, 2008.

Exhibit 99.1 Press Release dated February 11, 2008.

RELEASE: NEW HARTFORD, NY, February 11, 2008
CONTACT: Christopher R. Byrnes (315) 738-0600 ext. 226
cbyrnes@partech.com, www.partech.com

PAR TECHNOLOGY CORPORATION REPORTS FOURTH QUARTER RESULTS

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

New Hartford, NY-- February 11, 2008 -- 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, 2007.

For the fourth quarter ended December 31, 2007, PAR Technology Corporation reported revenues of \$60.2 million compared to \$54.2 million in the fourth quarter 2006, an increase of 11%. Net income in the period was \$483,000 versus the \$820,000 earned in the fourth quarter one year ago, a decline of 41%. The Company reported diluted net earnings per share of \$0.03 for this past quarter, 50% lower than the \$0.06 reported for the same period a year earlier.

For the year ended December 31, 2007, PAR Technology Corporation reported revenues of \$209.5 million, basically flat from the \$208.7 million reported one year ago. The Company also reported a net loss of \$2.7 million in 2007 versus net income of \$5.7 million earned last year. Diluted net loss per share in 2007 was reported at \$0.19 compared to diluted net income per share of \$0.39 reported for the year 2006.

John W. Sammon, PAR Chairman & CEO commented, "We faced a number of challenges in 2007, many of which had an impact on our operating results. We never-the-less are pleased with our revenue growth in the fourth quarter and our return to profitability.

"Sammon went on to say, "Despite difficult economic trends in the U.S., our outlook for 2008 anticipates improved operating results in each of our business segments. The Company, along with our management team, is committed to managing our business toward improved operating results during the coming year. From a long-term perspective, we believe PAR is well positioned to benefit from multiple growth opportunities, as the trend towards integrated services and solutions in the hospitality marketplace continues to accelerate. We are optimistic about our ability to take advantage of these opportunities based on our product and service offerings, relationships with industry leaders in each segment of hospitality, and our demonstrated ability to deliver business value at high levels of scalability for our customers."

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 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

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global service network. The Company has over 45,000 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 AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except share amounts)
(unaudited)

	December 31,	
	2007	2006
	-----	-----
Assets		
Current assets:		
Cash and cash equivalents	\$ 4,431	\$ 4,273
Accounts receivable-net	43,608	46,791
Inventories-net	40,319	35,948
Income tax refunds	521	1,103
Deferred income taxes	5,630	4,601
Other current assets	3,370	2,737
	-----	-----
Total current assets	97,879	95,453
Property, plant and equipment - net	7,669	7,535
Deferred income taxes	503	--
Goodwill	26,998	25,734
Intangible assets - net	9,899	10,695
Other assets	3,570	2,841
	-----	-----
	\$ 146,518	\$ 142,258
	=====	=====
Liabilities and Shareholders' Equity		
Current liabilities:		
Current portion of long-term debt	\$ 772	\$ 240
Borrowings under lines of credit	2,500	7,713
Accounts payable	16,978	12,470
Accrued salaries and benefits	9,919	8,279
Accrued expenses	3,860	1,861
Customer deposits	3,898	3,656
Deferred service revenue	14,357	12,254
	-----	-----
Total current liabilities	52,284	46,473
	-----	-----
Long-term debt	6,932	7,708
	-----	-----
Deferred income taxes	--	115
	-----	-----
Other long-term liabilities	2,315	1,879
	-----	-----
Shareholders' Equity:		
Preferred stock, \$.02 par value, 1,000,000 shares authorized	--	--
Common stock, \$.02 par value, 29,000,000 shares authorized;		

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16,047,818 and 15,980,486 shares issued;		
14,395,063 and 14,327,731 outstanding	321	320
Capital in excess of par value	39,252	38,602
Retained earnings	50,451	53,159
Accumulated other comprehensive income (loss)	472	(489)
Treasury stock, at cost, 1,652,755 shares ...	(5,509)	(5,509)
	-----	-----
Total shareholders' equity	84,987	86,083
	-----	-----
	\$ 146,518	\$ 142,258
	=====	=====

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 e December 3	
	2007	2006	2007	2006
	-----	-----	-----	-----
Net revenues:				
Product	\$ 24,024	\$ 19,532	\$ 77,116	\$ 80,000
Service	18,735	18,256	67,370	67,370
Contract	17,440	16,405	64,998	64,998
	-----	-----	-----	-----
	60,199	54,193	209,484	212,368
	-----	-----	-----	-----
Costs of sales:				
Product	13,947	11,683	45,635	45,635
Service	13,788	13,402	51,078	51,078
Contract	16,401	15,051	60,863	59,863
	-----	-----	-----	-----
	44,136	40,136	157,576	156,576
	-----	-----	-----	-----
Gross margin	16,063	14,057	51,908	55,792
	-----	-----	-----	-----
Operating expenses:				
Selling, general and administrative	11,041	8,930	37,517	37,517
Research and development	4,392	3,454	17,155	17,155
Amortization of identifiable intangible assets	391	361	1,572	1,572
	-----	-----	-----	-----
	15,824	12,745	56,244	56,244
	-----	-----	-----	-----
Operating income (loss)	239	1,312	(4,336)	1,548
Other income, net	483	180	1,227	1,227
Interest expense	(327)	(276)	(1,096)	(1,096)
	-----	-----	-----	-----
Income (loss) before provision for income taxes ...	395	1,216	(4,205)	1,679
	-----	-----	-----	-----
(Provision) benefit for income taxes	88	(396)	1,497	(396)
	-----	-----	-----	-----

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Net income (loss)	\$ 483	\$ 820	\$ (2,708)	\$
	=====	=====	=====	=====
Earnings (loss) per share				
Basic	\$.03	\$.06	\$ (.19)	\$
Diluted	\$.03	\$.06	\$ (.19)	\$
Weighted average shares outstanding				
Basic	14,361	14,264	14,345	1
	=====	=====	=====	=====
Diluted	14,772	14,700	14,345	1
	=====	=====	=====	=====