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FOR IMMEDIATE RELEASE

MGC Diagnostics Corporation Reports 2013 Second Quarter Operating Results

SAINT PAUL, MN (May 30, 2013) — MGC Diagnostics Corporation (NASDAQ: MGCD) (formerly Angeion Corporation), a global medical technology company, today reported financial results for the second quarter ended April 30, 2013.

Second Quarter Highlights:

- Robust second quarter revenue of \$7.6 million, an increase of 35% over the fiscal 2012 second quarter. Sequential quarterly revenue growth of 8% from the first quarter of fiscal 2013;
- Net income for the second quarter was \$252,000, or \$0.06 per diluted share, compared to a net loss of \$409,000, or (\$0.11) per diluted share in the 2012 second quarter;
- Group Purchasing Organization ("GPO") sales increased 69% to \$3.9 million, compared to \$2.3 million in the 2012 second quarter;
- Second quarter service revenue increased 8% on a year-over-year basis, while service gross margin improved to 70.3%, compared to 64.2% in the fiscal 2012 second quarter;
- Gross margin in the second quarter improved 210 basis points to 55.7%, compared to 53.6% in last year's second quarter;
- The Attachment Rate of extended service contracts sold at the point of system sale improved to 27.4%, compared to 6.2% in last year's second quarter;
- Second quarter 2013 recurring revenue (service and supplies revenues) totaled \$2.6 million, or 35% of total second quarter revenue;
- The Company declared and paid a special, one-time cash dividend of \$0.45 per share during the quarter;
- Strong balance sheet with \$8.2 million in cash and cash equivalents, \$12.4 million of working capital and no long-term debt after payment of the \$1.8 million dividend;
- At April 30, 2013, the Company had federal net operating loss carry forwards of approximately \$14.5 million that may be used to offset a portion of the Company's future tax liability;
- Rated #1 under a March 22, 2013 User Satisfaction Survey by MD Buyline, a provider of objective, evidence-based information used in the selection, acquisition, and management of medical technology;

Second quarter fiscal 2013 total revenues increased 35% to \$7.6 million, compared to \$5.6 million in the fiscal 2012 second quarter. Domestic 2013 second quarter sales increased 39% to \$6.3 million, compared to \$4.6 million in the 2012 second quarter, while international sales increased 18% to \$1.3 million, from \$1.0 million in last year's second quarter, due primarily to sales improvements in Canada and Latin America. Second quarter GPO sales increased 69% to \$3.9 million, compared to \$2.3 million in the prior year's second quarter.

for approximately 51.2% of total sales for the second quarter, compared to 41.0% in the 2012 second quarter.

Second quarter equipment, supplies and accessories sales totaled \$6.4 million, an increase of 41.6%, compared to \$4.5 million during last year's second quarter. Service revenues for the second quarter totaled \$1.2 million, compared to \$1.1 million during last year's second quarter. The Attachment Rate, which reflects the percentage of Extended Service Contracts added at the point of sale to customer equipment purchases, was 27.4% for the second quarter of fiscal 2013, compared to 6.2% for the same period last year. Backlog at April 30, 2013 was \$541,000, which has steadily improved over the past six months from \$530,000 at the end of the 2013 first quarter and \$415,000 at the end of the 2012 fourth quarter, respectively.

Gross margin for the quarter was 55.7%, compared to 53.6% in the 2012 second quarter. Gross margin for equipment, supplies and accessories was 52.9% for the quarter, compared to 50.9% in the prior year's quarter. Gross margin for services increased to 70.3% for the quarter, compared to 64.2% for the prior year's quarter primarily as a result of improved pricing and service mix.

Second quarter 2013 general and administrative expenses totaled \$1.2 million, or 16.1% of revenue, compared to \$930,000, or 16.6% of revenue in the comparable quarter last year. Sales and marketing expenses were \$2.1 million, or 27.7% of revenue, compared to \$1.7 million, or 29.5% of revenue in the 2012 second quarter. Research and development expenses were \$640,000, or 8.5% of revenue, compared to \$820,000, or 14.6% of revenue in last year's second quarter. This decrease is due primarily to expense reductions attributed to the conversion of consultant services to full time, internal personnel. Year to date, the Company has invested approximately \$1 million in new research and product development initiatives. Even though research and development to ensure that its future product pipeline remains robust.

Second quarter operating income improved to \$258,000, compared to an operating loss of \$509,000 in the 2012 second quarter. For the 2013 second quarter, the Company reported net income of \$252,000, or \$0.06 per diluted share, versus a net loss of \$409,000, or (\$0.11) per diluted share, in the 2012 second quarter.

Gregg O. Lehman, Ph D., president and chief executive officer of MGC Diagnostics, said, "The positive financial results for the quarter represents the first time in several years since the Company has been profitable in its second fiscal quarter. We have achieved measureable progress on our key initiatives to reconfigure personnel, products and operating processes. The market has embraced our rebranding campaign, and our products are now well positioned and recognized as highly valuable solutions to deliver improved quality of care. We had solid growth across virtually all product categories and geographies, gross margins improved for all revenue sources and operating expenses as a percent of revenue fell to 52.3% compared to 62.6% for last year's second quarter. From our perspective, the results of this quarter are an important step towards achieving profitability for the full year."

"For fiscal year 2013," continued Dr. Lehman, "we saw an opportunity to grow revenue by selling the quality of our products and capitalizing on the trust that customers have placed in our Company. To that end, we set a goal to generate substantial new revenue from competitor accounts. For the first six months of the fiscal year, we have converted 39 new accounts from our competitors, representing approximately \$2.6 million of new revenue. I am pleased with the efforts of our sales, marketing and field service teams, all of whom do an outstanding job representing our products and services, and providing post-sale support to our customers. We are making good progress in accomplishing our goals for the fiscal year." "During the quarter, the Board authorized the payment of a special, one-time cash dividend to shareholders. After careful assessment by management and the Board, we determined that we had more than an appropriate level of capital to execute our strategic plan, as well as respond to contingencies and strategic opportunities. This determination presented an opportunity to reward our loyal shareholders with a special, one-time cash dividend. Of all that has been accomplished since I joined the company, I am particularly proud of the creativity, determination and dedication displayed by the entire MGC Diagnostics team to embrace the challenge of driving long-term growth and improving shareholder value," concluded Dr. Lehman.

Discontinued Operations

On August 28, 2012, the Company completed the sale of the assets of its New Leaf business to Life Time Fitness, Inc. for \$1.235 million. As a result, the Company has reclassified its results for prior periods to eliminate from its statement of comprehensive income (loss) all fiscal 2012 revenues and expenses associated with its New Leaf business and presented the income from New Leaf activities as "discontinued operations."

Net Operating Loss Carry Forward

At April 30, 2013, the Company had federal net operating loss carry forwards of approximately \$14.5 million, not subject to IRC annual limitations on use. These loss carry forwards will expire in years 2018 through 2032.

Conference Call

The Company has scheduled a conference call for Thursday, May 30, 2013 at 4:30 p.m. ET to discuss its financial results for the second quarter of fiscal year 2013.

Participants can dial (877) 317-6789 or (412) 317-6789 to access the conference call, or listen via a live Internet webcast on the Company's website at www.mgcdiagnostics.com. A replay of the conference call will be available by dialing (877) 344-7529 or (412) 317-0088, confirmation code 10029021, through June 6, 2013. A webcast replay of the conference call will be accessible on the Company's website at www.mgcdiagnostics.com for 90 days.

About MGC Diagnostics

MGC Diagnostics Corporation (NASDAQ: MGCD), (formerly Angeion Corporation), is a global medical technology company dedicated to cardiorespiratory health solutions. The Company develops, manufactures and markets non-invasive diagnostic systems. This portfolio of products provides solutions for disease detection, integrated care, and wellness across the spectrum of cardiorespiratory healthcare. The Company's products are sold internationally through distributors and in the United States through a direct sales force targeting heart and lung specialists located in hospitals, university-based medical centers, medical clinics, physicians' offices, pharmaceutical companies, medical device manufacturers, and clinical research organizations (CROs). For more information about MGC Diagnostics, visit www.mgcdiagnostics.com.

Cautionary Statement Regarding Forward Looking Statements

From time to time, in reports filed with the Securities and Exchange Commission, in press releases, and in other communications to shareholders or the investing public, MGC Diagnostics Corporation may make forward-looking statements concerning possible or anticipated future financial performance, business activities or plans that include the words "believes," "expects," "anticipates," "intends" or similar expressions. For these forward-looking statements, the Company claims the protection of the safe harbor for forward-looking statements contained in federal securities laws. These forward-looking statements are subject to a number of factors, risks and uncertainties, including those disclosed in our periodic filings with the SEC, that could cause actual performance, activities or plans after the date the statements are made to differ significantly from those indicated in the forward-looking statements. For a list of these factors, " in the

Company's Form 10-K for the year ended October 31, 2012, and any updates in subsequent filings on Form 10-Q or Form 8-K under the Securities Exchange Act of 1934.

Contact: Wesley W. Winnekins MGC Diagnostics Corporation Chief Financial Officer (651) 484-4874 Joe Dorame, Robert Blum, Joe Diaz Lytham Partners, LLC (602) 889-9700 mgcd@lythampartners.com

(Financial Tables to Follow)

MGC DIAGNOSTICS CORPORATION AND SUBSIDIARY

Consolidated Balance Sheets

(In thousands, except share and per share data)

| Assets(Unaudited)Current Assets: $\$$ Cash and cash equivalents $\$$ Accounts receivable, net of allowance for doubtful accounts of \$85 and \$98, respectively $6,348$ Inventories, net of obsolescence reserve of \$382 and \$373, respectively $4,056$ Automatic and \$98, respectively $4,056$ Inventories, net of obsolescence reserve of \$382 and \$373, respectively $4,056$ Prepaid expenses and other current assets 577 Total current assets 577 Property and equipment, net of accumulated depreciation of \$3,980 and \$3,876, respectively 785 Intangible assets, net $1,933$ Other non-current assets $-$ Liabilities and Shareholders' Equity 8 Current Liabilities 8 Accounts payable $\$$ Indegree order of accurred expenses 651 Urrent liabilities $6,744$ Courrent liabilities $6,744$ Long-term liabilities $6,744$ Long-term liabilities $6,744$ Long-term liabilities $6,744$ Long-term liabilities $6,744$ Current liabilities $8,495$ Common stock, \$0,10 par value, authorized 25,000,000 shares, $4,083,129$ and $3,98,530$ shares issued and $3,998,690$ and $3,385,279$ shares outstanding in 2013 and 2012, respectively 400 Additional paid-in capital $21,643$ $21,046$ Accumulated deficit $(8,671)$ $(6,684)$ Total Liabilities and Shareholders' Equity 400 388 Indesignated shares, authorized 5,000,000 sh | (In thousands, except share and per share data) | April 30, 2013 | October 31, 2012 | |
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| Commitments and ContingenciesShareholders' Equity: Common stock, \$0.10 par value, authorized 25,000,000 shares, 4,083,129 and 3,986,350 shares issued and 3,998,690 and 3,885,279 shares outstanding in 2013 and 2012, respectively400388Undesignated shares, authorized 5,000,000 shares, no shares issued and outstandingAdditional paid-in capital21,64321,046Accumulated deficit(8,671)(6,684)Total Shareholders' Equity13,37214,750 | Long-term deferred income and other | 1,751 | 895 | |
| Shareholders' Equity: Common stock, \$0.10 par value, authorized 25,000,000 shares, 4,083,129 and 3,986,350 shares issued and 3,998,690 and 3,885,279 shares outstanding in 2013 and 2012, respectively400388Undesignated shares, authorized 5,000,000 shares, no shares issued and outstandingAdditional paid-in capital21,64321,046Accumulated deficit(8,671)(6,684)Total Shareholders' Equity13,37214,750 | Total Liabilities | 8,495 | 7,198 | |
| Common stock, \$0.10 par value, authorized 25,000,000 shares, 4,083,129 and 3,986,350 shares issued and 3,998,690 and 3,885,279 shares outstanding in 2013 and 2012, respectively400388Undesignated shares, authorized 5,000,000 shares, no shares issued and outstandingAdditional paid-in capital21,64321,046Accumulated deficit(8,671)(6,684)Total Shareholders' Equity13,37214,750 | Commitments and Contingencies | | | |
| Undesignated shares, authorized 5,000,000 shares, no shares issued and outstandingAdditional paid-in capital21,64321,046Accumulated deficit(8,671)(6,684)Total Shareholders' Equity13,37214,750 | Common stock, \$0.10 par value, authorized 25,000,000 shares, | | | |
| Accumulated deficit (8,671) (6,684) Total Shareholders' Equity 13,372 14,750 | Undesignated shares, authorized 5,000,000 shares, no shares issued | 400 | 388 | |
| Accumulated deficit (8,671) (6,684) Total Shareholders' Equity 13,372 14,750 | C C | 21,643 | 21,046 | |
| Total Shareholders' Equity13,37214,750 | | | | |
| | Total Shareholders' Equity | · | i | |
| | Total Liabilities and Shareholders' Equity | \$ 21,867 | \$ 21,948 | |

MGC DIAGNOSTICS CORPORATION AND SUBSIDIARY

Consolidated Statements of Comprehensive Income (Loss) (Unaudited in thousands, except per share amounts)

| | Six Months Ended April 30, | | | |
|--|-------------------------------|--|--|--|
| 2013 2012 2013 | 2012 | | | |
| Revenues | | | | |
| Equipment, supplies and accessories | | | | |
| revenues \$ 6,360 \$ 4,490 \$ 12,166 | \$ 9,862 | | | |
| Service revenues 1,203 1,113 2,405 | 2,169 | | | |
| 7,563 5,603 14,571 | 12,031 | | | |
| Cost of revenues | | | | |
| Cost of equipment, supplies and | | | | |
| accessories revenues 2,996 2,204 5,831 | 4,729 | | | |
| Cost of service revenues 357 398 708 | 732 | | | |
| 3,353 2,602 6,539 | 5,461 | | | |
| Gross margin 4,210 3,001 8,032 | 6,570 | | | |
| Operating expenses: | | | | |
| Selling and marketing 2,094 1,651 4,220 | 3,426 | | | |
| General and administrative 1,214 930 2,632 | 2,075 | | | |
| Research and development6408201,287 | 1,630 | | | |
| Amortization of intangibles410911 | 217 | | | |
| 3,952 3,510 8,150 | 7,348 | | | |
| Operating income (loss) 258 (509) (118) | (778) | | | |
| Interest income 1 1 | 4 | | | |
| Income (loss) from continuing | | | | |
| operations before taxes 259 (509) (117) | (774) | | | |
| Provision for taxes 7 7 14 | 14 | | | |
| Income (loss) from continuing | | | | |
| operations 252 (516) (131) | (788) | | | |
| Discontinued operations | | | | |
| Income from discontinued | | | | |
| operations - <u>107</u> - | 130 | | | |
| Net income (loss) 252 (409) (131) | (658) | | | |
| Other comprehensive loss; net of tax | | | | |
| Unrealized loss on securities (1) | (2) | | | |
| Comprehensive income (loss) \$ 252 \$ (410) \$ (131) 5 | \$ (660) | | | |
| Income (loss) per share | | | | |
| Basic | | | | |
| From continuing operations $\$$ 0.06 $\$$ (0.14) $\$$ (0.03) | \$ (0.21) | | | |
| From discontinued operations 0.00 0.03 0.00 | 0.04 | | | |
| Total \$ 0.06 \$ (0.11) \$ (0.03) | \$ (0.17) | | | |
| Diluted | | | | |
| From continuing operations $\$$ 0.06 $\$$ (0.14) $\$$ (0.03) | \$ (0.21) | | | |
| From discontinued operations 0.00 0.03 0.00 | 0.04 | | | |
| Total \$ 0.06 \$ (0.11) \$ (0.03) | \$ (0.17) | | | |
| Weighted average common shares | · · · · · · | | | |
| outstanding | | | | |
| Basic 3,930 3,797 3,910 | 3,789 | | | |
| Diluted 3,994 3,797 3,910 | 3,789 | | | |
| Dividends declared per share \$ 0.45 \$ 0.00 \$ 0.45 | \$ 0.00 | | | |

MGC DIAGNOSTICS CORPORATION AND SUBSIDIARY

Consolidated Statements of Cash Flows

(Unaudited in thousands)

| April 30,Cash flows from operating activities:20132012Net loss\$(131)\$(658)Adjustments to reconcile net loss to net cash provided by operating activities:\$(110)126Depreciation110126100100Amorization532175tock-based compensation234183Decrease in allowance for doubful accounts(13)(64)100100Increase in inventory obsolescence reserve95757Gain on disposal of equipment(3)Changes in operating assets and liabilities:(225)(703)Accounts receivable(226)(395)1945Inventories76(89)44Accounts receivable(226)(395)1945Inventories11.058(98)1926Warranty reserve4444000ther current liabilities and accrued expenses98182Net cash provided by operating activities511584544Cash flows from financing activities:(598)(264)Cash flows from financing activities:(598)(264)Proceeds from tissuance of common stock under employee stock purchase of acommon stock upon vesting of restricted stock awards(1,400)-Proceeds from the scarcing of stock options3454040Repurchase of common stock upon vesting of restricted stock awards(1,407)361Cash and cash equivalents at end of period9,6658,461 </th <th>(Unaudited in thousands)</th> <th></th> <th>Six Mon</th> <th></th> <th>ded</th> | (Unaudited in thousands) | | Six Mon | | ded |
|---|---|----|---------|---------|-------|
| Cash flows from operating activities: $$$ (131) $$$ (658)Net loss $$$ (131) $$$ (658)Adjustments to reconcile net loss to net cash provided by operating activities: $$$ (110)126Depreciation234183Decrease in allowance for doubtful accounts(13)(64)Increase in inventory obsolescence reserve957Gain on disposal of equipment(3)-Changes in operating assets and liabilities:(225)1,945Accounts receivable(625)1,945Inventories(215)(703)Prepaid expenses and other current assets76(89)Accounts receivable(226)(395)Employee compensation42(79)Deferred income1,058(98)Warranty reserve44(40)Other current liabilities and accrued expenses98182Net cash provided by operating activities:511584Cash flows from investing activities:(598)(505)Net cash used in investing activities:(1,800)-Dividends paid(1,800)-Proceeds from issuance of common stock under employee stock purchase of common stock point exercise of stock options34540Repurchase of common stock under employee stock purchase of comm | | | | rii 30, | 2012 |
| Net loss\$ (131)\$ (658)Adjustments to reconcile net loss to net cash provided by operating activities: Depreciation110126Amorization53217Stock-based compensation234183Decrease in allowance for doubtful accounts(13)(64)Increase in inventory obsolescence reserve957Gain on disposal of equipment(3)-Changes in operating assets and liabilities: Accounts receivable(625)1,945Inventories(215)(703)Prepaid expenses and other current assets76(89)Accounts payable(226)(395)Employee compensation42(79)Deferred income1,058(98)Warranty reserve44(40)Other current liabilities and accrued expenses98182Net cash provided by operating activities:511584Cash flows from investing activities:(598)(264)Proceeds from insuance of common stock under employee stock purchase of common stock up or vesting of restricted stock awards (1,410)-Net cash (used in) provided by financing activities(1,410)-Cash and cash equivalents at end of period\$ 8,168\$ 8,822Cash paid for taxes\$ 18\$ 3Supplemental non-current liabilities issued for leasehold improvements\$ 210\$ | Cash flows from operating activities: | | 2015 | | 2012 |
| Adjustments to reconcile net loss to net cash provided by operating activities:110126Depreciation110126Amortization53217Stock-based compensation234183Decrease in allowance for doubtful accounts(13)(64)Increase in inventory obsolescence reserve957Gain on disposal of equipment(3)-Accounts receivable(625)1.945Inventories(215)(703)Prepaid expenses and other current assets76(89)Accounts payable(226)(395)Employee compensation42(79)Deferred income1.058(98)Warranty reserve44(40)Other current liabilities and accrued expenses98182Net cash provided by operating activities:511584Cash flows from investing activities:598)(264)Cash flows from financing activities:598)(264)Cash flows from financing activities:-241Purchases of property and equipment and intangible assets(598)(264)Cash flows from financing activities:(10)Repurchase of common stock under employee stock purchase of common stock options34540Repurchase of common stock under employee stock-(10)Repurchase of common stock up or vesting of restricted stock awards(23)-Net cash (used in) provided by financing activities(1,497)361Cash and cash equivalents | | \$ | (131) | \$ | (658) |
| activities:110126Depreciation53217Stock-based compensation53217Stock-based compensation234183Decrease in allowance for doubtful accounts(13)(64)Increase in inventory obsolescence reserve957Gain on disposal of equipment(3)-Changes in operating assets and liabilities:(25)1,945Inventories(25)1,945Inventories(215)(703)Prepaid expenses and other current assets76(89)Accounts payable(226)(395)Employee compensation42(79)Deferred income1,058(98)Warranty reserve44(40)Other current liabilities and accrued expenses98182Net cash provided by operating activities:511584Sales of investing activities:598(264)Cash flows from investing activities:(598)(264)Cash flows from financing activities:(1,800)-Piroceeds from issuance of common stock under employee stock purchase of common stock under versing of restricted stock awards (1,410)-Net cash used in investing activities(1,447)361Cash and cash equivalents at beginning of period Cash and cash | | Ŧ | () | Ŧ | (000) |
| Amortization53217Stock-based compensation234183Decrease in allowance for doubtful accounts(13)(64)Increase in inventory obsolescence reserve957Gain on disposal of equipment(3)-Changes in operating assets and liabilities:(3)-Accounts receivable(625)1.945Inventories(215)(703)Prepaid expenses and other current assets76(89)Accounts payable(226)(395)Change compensation42(79)Deferred income1,058(98)Warranty reserve44(40)Other current liabilities and accrued expenses98182Net cash provided by operating activities511584Cash flows from investing activities511584Cash flows from financing activities(598)(264)Cash flows from financing activities(1,800)-Proceeds from insusce of common stock under employee stock purchase plan-(10)Proceeds from the exercise of stock options34540Repurchase of common stock under employee stock purchase of common stock under employee stock aurchase of common stock under employee stock aurchase-(10)Repurchase of common stock under employee stock aurchase of common stock under employee stock aurchase of common stock under employee stock aurchase-(1 | | | | | |
| Amortization53217Stock-based compensation234183Decrease in allowance for doubtful accounts(13)(64)Increase in inventory obsolescence reserve957Gain on disposal of equipment(3)-Changes in operating assets and liabilities:(3)-Accounts receivable(625)1.945Inventories(215)(703)Prepaid expenses and other current assets76(89)Accounts payable(226)(395)Change compensation42(79)Deferred income1,058(98)Warranty reserve44(40)Other current liabilities and accrued expenses98182Net cash provided by operating activities511584Cash flows from investing activities511584Cash flows from financing activities(598)(264)Cash flows from financing activities(1,800)-Proceeds from insusce of common stock under employee stock purchase plan-(10)Proceeds from the exercise of stock options34540Repurchase of common stock under employee stock purchase of common stock under employee stock aurchase of common stock under employee stock aurchase-(10)Repurchase of common stock under employee stock aurchase of common stock under employee stock aurchase of common stock under employee stock aurchase-(1 | Depreciation | | 110 | | 126 |
| Decrease in allowance for doubtful accounts(13)(64)Increase in inventory obsolescence reserve957Gain on disposal of equipment(3)-Changes in operating assets and liabilities:(3)-Accounts receivable(625)1,945Inventories(215)(703)Prepaid expenses and other current assets76(89)Accounts payable(226)(395)Employee compensation42(79)Deferred income1,058(98)Warranty reserve44(40)Other current liabilities and accrued expenses98182Net cash provided by operating activities:511584Sales of investing activities:511584Cash flows from investing activities:(598)(264)Cash flows from financing activities:(598)(264)Cash flows from financing activities:(1,800)-Dividends paid(1,800)-Proceeds from issuance of common stock under employee stock(1,800)-purchase of activities:(1,410)41Proceeds from the exercise of stock options34540Repurchase of common stock-(10)Repurchase of common stock upon vesting of restricted stock awards(23)-Net (decrease) increase in cash and cash equivalents(1,410)41Net (decrease) increase in cash and cash equivalents(1,410)41Net (decrease) increase in cash and cash equivalents518\$< | - | | 53 | | 217 |
| Decrease in allowance for doubtful accounts(13)(64)Increase in inventory obsolescence reserve957Gain on disposal of equipment(3)-Changes in operating assets and liabilities:(3)-Accounts receivable(625)1,945Inventories(215)(703)Prepaid expenses and other current assets76(89)Accounts payable(226)(395)Employee compensation42(79)Deferred income1,058(98)Warranty reserve44(40)Other current liabilities and accrued expenses98182Net cash provided by operating activities:511584Cash flows from investing activities(598)(264)Sales of investments-241Purchases of property and equipment and intangible assets(598)(264)Cash flows from financing activities:(1,800)-Dividends paid(1,800)-Proceeds from insuance of common stock under employee stock purchase of acommon stock under employee stock-(10)4141Proceeds from investing activities(1,410)41Net cash (used in) provided by financing activities(1,410)41Net cash (used in) provided by financing activities(1,410)41Net cash (used in) provided by financing activities(1,410)41Net cash and cash equivalents(1,417)361Cash and cash equivalents at end of period\$ 8,168\$ 8,822 </td <td>Stock-based compensation</td> <td></td> <td>234</td> <td></td> <td>183</td> | Stock-based compensation | | 234 | | 183 |
| Gain on disposal of equipment(3)-Changes in operating assets and liabilities:(215)(703)Accounts receivable(215)(703)Prepaid expenses and other current assets76(89)Accounts payable(226)(395)Employee compensation42(79)Deferred income1,058(98)Warranty reserve44(40)Other current liabilities and accrued expenses98182Net cash provided by operating activities:511584Cash flows from investing activities:511584Cash flows from investing activities:(598)(505)Net cash used in investing activities:(598)(264)Cash flows from financing activities:(1,800)-Proceeds from tissuance of common stock under employee stock purchase of common stock upon vesting of restricted stock awards(23)-Net cash (used in) provided by financing activities(1,407)361Net cash (used in) provided by financing activities(1,410)41Net cash and cash equivalents(1,447)361Cash and cash equivalents(1,447)361Cash and cash equivalents at end of period $9,665$ $8,461$ Cash paid for taxes\$18\$3Supplemental non-cash items:\$210\$-Current and non-current liabilities issued for leasehold improvements\$210\$ | - | | (13) | | (64) |
| Changes in operating assets and liabilities:(625)1.945Accounts receivable(625)1.945Inventories(215)(703)Prepaid expenses and other current assets76(89)Accounts payable(226)(395)Employee compensation42(79)Deferred income1,058(98)Warranty reserve44(40)Other current liabilities and accrued expenses98182Net cash provided by operating activities:511584Sales of investments-241Purchases of property and equipment and intangible assets(598)(505)Net cash used in investing activities:(598)(264)Cash flows from financing activities:(1,800)-Dividends paid(1,800)-Proceeds from the exercise of stock options34540Repurchase of common stock under employee stock-(10)Repurchase of common stock up or vesting of restricted stock awards(23)-Net cash (used in) provided by financing activities(1,410)41Net (decrease) in cash and cash equivalents(1,497)361Cash and cash equivalents at end of period $9,665$ $8,461$ Cash paid for taxes\$18\$Supplemental non-cash items:\$210\$-Current and non-current liabilities issued for leasehold improvements\$210\$- | Increase in inventory obsolescence reserve | | 9 | | 57 |
| Accounts receivable(625)1,945Inventories(215)(703)Prepaid expenses and other current assets76(89)Accounts payable(226)(395)Employee compensation42(79)Deferred income1,058(98)Warranty reserve44(40)Other current liabilities and accrued expenses98182Net cash provided by operating activities 511 584 Cash flows from investing activities: 511 584 Cash flows from investing activities:(598)(505)Net cash used in investing activities:(598)(264)Cash flows from financing activities:(1,800)-Proceeds from issuance of common stock under employee stock purchase plan6811Proceeds from the exercise of stock options 345 40Repurchase of common stock under employee stock active issue of took upon vesting of restricted stock awards(1,400)41Net cash (used in) provided by financing activities(1,407)361Cash and cash equivalents at beginning of period $9,665$ $8,461$ Cash and cash equivalents at end of period $$8,168$ $$8,822$ Cash paid for taxes\$18\$3Supplemental non-cash items:\$210\$- | Gain on disposal of equipment | | (3) | | - |
| Inventories(215)(703)Prepaid expenses and other current assets76(89)Accounts payable(226)(395)Employee compensation42(79)Deferred income1,058(98)Warranty reserve44(40)Other current liabilities and accrued expenses98182Net cash provided by operating activities511584Cash flows from investing activities:511584Sales of investments-241Purchases of property and equipment and intangible assets(598)(264)Cash flows from financing activities:(598)(264)Dividends paid(1,800)-Proceeds from issuance of common stock under employee stock purchase plan-(10)Repurchase of common stock upon vesting of restricted stock awards(23)-Net cash (used in) provided by financing activities(1,410)41Net (decrease) increase in cash and cash equivalents(1,410)41Net (decrease) increase in cash and cash equivalents\$ 8,168\$ 8,822Cash paid for taxes\$ 18\$ 33Supplemental non-cash items: Current and non-current liabilities issued for leasehold improvements\$ 210\$ - | Changes in operating assets and liabilities: | | | | |
| Prepaid expenses and other current assets76(89)Accounts payable(226)(395)Employee compensation42(79)Deferred income1,058(98)Warranty reserve44(40)Other current liabilities and accrued expenses98182Net cash provided by operating activities511584Cash flows from investing activities:511584Sales of investments-241Purchases of property and equipment and intangible assets(598)(264)Cash flows from financing activities:(598)(264)Dividends paid(1,800)-Proceeds from issuance of common stock under employee stock purchase plan6811Proceeds from the exercise of stock options34540Repurchase of common stock upon vesting of restricted stock awards(23)-Net cash (used in) provided by financing activities(1,410)41Net (decrease) increase in cash and cash equivalents(1,497)361Cash and cash equivalents at end of period\$ 8,168\$ 8,822Cash paid for taxes\$ 18\$ 33Supplemental non-cash items: Current and non-current liabilities issued for leasehold improvements\$ 210\$ - | Accounts receivable | | (625) | | 1,945 |
| Accounts payable(226)(395)Employee compensation42(79)Deferred income1,058(98)Warranty reserve44(40)Other current liabilities and accrued expenses98182Net cash provided by operating activities511584Cash flows from investing activities:511584Sales of investments-241Purchases of property and equipment and intangible assets(598)(505)Net cash used in investing activities:(598)(264)Cash flows from financing activities:(1,800)-Dividends paid(1,800)-Proceeds from issuance of common stock under employee stock-purchase plan6811Proceeds from the exercise of stock options34540Repurchase of common stock upon vesting of restricted stock awards(23)-Net cash (used in) provided by financing activities(1,497)361Cash and cash equivalents at beginning of period9,6658,461Cash and cash equivalents at end of period\$ 8,168\$ 8,222Cash paid for taxes\$ 18\$ 33Supplemental non-cash items:\$ 210\$ - | Inventories | | (215) | | (703) |
| Employee compensation 42 (79) Deferred income $1,058$ (98) Warranty reserve 44 (40) Other current liabilities and accrued expenses 98 182 Net cash provided by operating activities: 511 584 Cash flows from investing activities: 511 584 Cash flows from investing activities: 511 584 Cash flows from investing activities: (598) (505) Net cash used in investing activities: (598) (264) Cash flows from financing activities: (598) (264) Dividends paid $(1,800)$ $-$ Proceeds from issuance of common stock under employee stock $-$ purchase plan 68 11 Proceeds from the exercise of stock options 3445 Repurchase of common stock upon vesting of restricted stock awards (23) Net cash (used in) provided by financing activities $(1,410)$ Met (decrease) increase in cash and cash equivalents $(1,497)$ Cash and cash equivalents at beginning of period $9,665$ Cash and cash equivalents at end of period $$8,168$ Cash paid for taxes\$ $$18$ Supplemental non-cash items:\$Current and non-current liabilities issued for leasehold improvements\$Current and non-current liabilities issued for leasehold improvements\$ | Prepaid expenses and other current assets | | 76 | | (89) |
| Deferred income1,058(98)Warranty reserve44(40)Other current liabilities and accrued expenses98182Net cash provided by operating activities511584Cash flows from investing activities:511584Sales of investments-241Purchases of property and equipment and intangible assets(598)(505)Net cash used in investing activities:(598)(264)Cash flows from financing activities:(1,800)-Dividends paid(1,800)-Proceeds from issuance of common stock under employee stock purchase plan6811Proceeds from the exercise of stock options34540Repurchase of common stock upon vesting of restricted stock awards(23)-Net cash (used in) provided by financing activities(1,410)41Net (decrease) increase in cash and cash equivalents(1,497)361Cash and cash equivalents at beginning of period9,6658,461Cash paid for taxes\$18\$3Supplemental non-cash items:\$18\$3Current and non-current liabilities issued for leasehold improvements\$210\$- | Accounts payable | | (226) | | (395) |
| Warranty reserve44(40)Other current liabilities and accrued expenses98182Net cash provided by operating activities511584Cash flows from investing activities:511584Sales of investments-241Purchases of property and equipment and intangible assets(598)(505)Net cash used in investing activities:(598)(264)Cash flows from financing activities:(1,800)-Dividends paid(1,800)-Proceeds from issuance of common stock under employee stock purchase plan6811Proceeds from the exercise of stock options34540Repurchase of common stock upon vesting of restricted stock awards(23)-Net cash (used in) provided by financing activities(1,410)41Net (decrease) increase in cash and cash equivalents(1,497)361Cash and cash equivalents at beginning of period9,6658,461Cash and cash equivalents at end of period\$ 8,168\$ 8,822Cash paid for taxes\$ 18\$ 3Supplemental non-cash items:\$ 210\$ - | Employee compensation | | 42 | | (79) |
| Other current liabilities and accrued expenses98182Net cash provided by operating activities511584Cash flows from investing activities:511584Sales of investments-241Purchases of property and equipment and intangible assets(598)(505)Net cash used in investing activities:(598)(264)Cash flows from financing activities:(1,800)-Dividends paid(1,800)-Proceeds from issuance of common stock under employee stock purchase plan6811Proceeds from the exercise of stock options34540Repurchase of common stock upon vesting of restricted stock awards(23)-Net cash (used in) provided by financing activities(1,410)41Net (decrease) increase in cash and cash equivalents(1,497)361Cash and cash equivalents at beginning of period9,6658,461Cash and cash equivalents at end of period\$ 8,168\$ 8,822Cash paid for taxes\$ 18\$ 3Supplemental non-cash items:\$ 210\$ - | Deferred income | | 1,058 | | (98) |
| Net cash provided by operating activities511584Cash flows from investing activities: Sales of investments-241Purchases of property and equipment and intangible assets(598)(505)Net cash used in investing activities(598)(264)Cash flows from financing activities: Dividends paid(1,800)-Proceeds from issuance of common stock under employee stock purchase plan6811Proceeds from the exercise of stock options34540Repurchase of common stock under employee stock purchase plan-(10)Repurchase of common stock upon vesting of restricted stock awards(23)-Net cash (used in) provided by financing activities(1,410)41Net (decrease) increase in cash and cash equivalents(1,497)361Cash and cash equivalents at beginning of period Cash and cash equivalents at end of period9,6658,461Cash paid for taxes\$18\$3Supplemental non-cash items: Current and non-current liabilities issued for leasehold improvements\$210\$ | Warranty reserve | | 44 | | (40) |
| Cash flows from investing activities: Sales of investments-241Purchases of property and equipment and intangible assets.598)(505)Net cash used in investing activities.598)(264)Cash flows from financing activities: Dividends paid | Other current liabilities and accrued expenses | | 98 | | 182 |
| Sales of investments-241Purchases of property and equipment and intangible assets(598)(505)Net cash used in investing activities(598)(264)Cash flows from financing activities:(598)(264)Dividends paid(1,800)-Proceeds from issuance of common stock under employee stock purchase plan6811Proceeds from the exercise of stock options34540Repurchase of common stock-(10)Repurchase of common stock upon vesting of restricted stock awards(23)-Net cash (used in) provided by financing activities(1,410)41Net (decrease) increase in cash and cash equivalents(1,497)361Cash and cash equivalents at beginning of period9,6658,461Cash paid for taxes\$18\$3Supplemental non-cash items:\$18\$3Current and non-current liabilities issued for leasehold improvements\$210\$- | Net cash provided by operating activities | | 511 | | 584 |
| Purchases of property and equipment and intangible assets(598)(505)Net cash used in investing activities(598)(264)Cash flows from financing activities:(1,800)-Dividends paid(1,800)-Proceeds from issuance of common stock under employee stock6811Proceeds from the exercise of stock options34540Repurchase of common stock upon vesting of restricted stock awards-(10)Repurchase of common stock upon vesting of restricted stock awards(23)-Net cash (used in) provided by financing activities(1,410)41Net (decrease) increase in cash and cash equivalents(1,497)361Cash and cash equivalents at beginning of period9,6658,461Cash paid for taxes\$18\$3Supplemental non-cash items:\$18\$3Current and non-current liabilities issued for leasehold improvements\$210\$- | Cash flows from investing activities: | | | | |
| Net cash used in investing activities(598)(264)Cash flows from financing activities:(1,800)-Dividends paid(1,800)-Proceeds from issuance of common stock under employee stock purchase plan6811Proceeds from the exercise of stock options34540Repurchase of common stock-(10)Repurchase of common stock upon vesting of restricted stock awards-(10)Net cash (used in) provided by financing activities(1,410)41Net (decrease) increase in cash and cash equivalents(1,497)361Cash and cash equivalents at beginning of period9,6658,461Cash paid for taxes\$18\$3Supplemental non-cash items:\$210\$-Current and non-current liabilities issued for leasehold improvements\$210\$- | Sales of investments | | - | | 241 |
| Cash flows from financing activities:(1,800)Dividends paid(1,800)Proceeds from issuance of common stock under employee stock68purchase plan68Proceeds from the exercise of stock options345Repurchase of common stock-Repurchase of common stock upon vesting of restricted stock awards(23)Net cash (used in) provided by financing activities(1,410)Net (decrease) increase in cash and cash equivalents(1,497)Cash and cash equivalents at beginning of period9,665Cash and cash equivalents at end of period\$ 8,168Supplemental non-cash items:\$ 18Current and non-current liabilities issued for leasehold improvements\$ 210 | Purchases of property and equipment and intangible assets | | (598) | | (505) |
| Dividends paid(1,800)-Proceeds from issuance of common stock under employee stock purchase plan6811Proceeds from the exercise of stock options34540Repurchase of common stock-(10)Repurchase of common stock upon vesting of restricted stock awards(23)-Net cash (used in) provided by financing activities(1,410)41Net (decrease) increase in cash and cash equivalents(1,497)361Cash and cash equivalents at beginning of period9,6658,461Cash and cash equivalents at end of period\$ 8,168\$ 8,822Cash paid for taxes\$ 18\$ 3Supplemental non-cash items: Current and non-current liabilities issued for leasehold improvements\$ 210\$ - | Net cash used in investing activities | | (598) | | (264) |
| Proceeds from issuance of common stock under employee stock purchase plan6811Proceeds from the exercise of stock options34540Repurchase of common stock-(10)Repurchase of common stock upon vesting of restricted stock awards(23)-Net cash (used in) provided by financing activities(1,410)41Net (decrease) increase in cash and cash equivalents(1,497)361Cash and cash equivalents at beginning of period9,6658,461Cash and cash equivalents at end of period\$ 8,168\$ 8,822Cash paid for taxes\$ 18\$ 3Supplemental non-cash items: Current and non-current liabilities issued for leasehold improvements\$ 210\$ - | Cash flows from financing activities: | | | | |
| purchase plan6811Proceeds from the exercise of stock options34540Repurchase of common stock-(10)Repurchase of common stock upon vesting of restricted stock awards(23)-Net cash (used in) provided by financing activities(1,410)41Net (decrease) increase in cash and cash equivalents(1,497)361Cash and cash equivalents at beginning of period9,6658,461Cash and cash equivalents at end of period\$ 8,168\$ 8,822Cash paid for taxes\$ 18\$ 3Supplemental non-cash items: Current and non-current liabilities issued for leasehold improvements\$ 210\$ - | Dividends paid | | (1,800) | | - |
| Proceeds from the exercise of stock options34540Repurchase of common stock-(10)Repurchase of common stock upon vesting of restricted stock awards(23)-Net cash (used in) provided by financing activities(1,410)41Net (decrease) increase in cash and cash equivalents(1,497)361Cash and cash equivalents at beginning of period9,6658,461Cash and cash equivalents at end of period\$ 8,168\$ 8,822Cash paid for taxes\$ 18\$ 3Supplemental non-cash items:\$ 210\$ - | Proceeds from issuance of common stock under employee stock | | | | |
| Repurchase of common stock-(10)Repurchase of common stock upon vesting of restricted stock awards(23)-Net cash (used in) provided by financing activities(1,410)41Net (decrease) increase in cash and cash equivalents(1,497)361Cash and cash equivalents at beginning of period9,6658,461Cash and cash equivalents at end of period\$ 8,168\$ 8,822Cash paid for taxes\$ 18\$ 3Supplemental non-cash items:\$ 210\$ - | purchase plan | | | | |
| Repurchase of common stock upon vesting of restricted stock awards(23)-Net cash (used in) provided by financing activities(1,410)41Net (decrease) increase in cash and cash equivalents(1,497)361Cash and cash equivalents at beginning of period9,6658,461Cash and cash equivalents at end of period\$ 8,168\$ 8,822Cash paid for taxes\$ 18\$ 3Supplemental non-cash items:\$ 210\$ - | * | | 345 | | 40 |
| Net cash (used in) provided by financing activities(1,410)41Net (decrease) increase in cash and cash equivalents(1,497)361Cash and cash equivalents at beginning of period9,6658,461Cash and cash equivalents at end of period\$ 8,168\$ 8,822Cash paid for taxes\$ 18\$ 3Supplemental non-cash items:\$ 210\$ - | * | | - | | (10) |
| Net (decrease) increase in cash and cash equivalents(1,497)361Cash and cash equivalents at beginning of period9,6658,461Cash and cash equivalents at end of period\$ 8,168\$ 8,822Cash paid for taxes\$ 18\$ 3Supplemental non-cash items: Current and non-current liabilities issued for leasehold improvements\$ 210\$ - | | | (23) | | - |
| Cash and cash equivalents at beginning of period9,6658,461Cash and cash equivalents at end of period\$ 8,168\$ 8,822Cash paid for taxes\$ 18\$ 3Supplemental non-cash items: Current and non-current liabilities issued for leasehold improvements\$ 210\$ - | | | (1,410) | | |
| Cash and cash equivalents at end of period\$ 8,168\$ 8,822Cash paid for taxes\$ 18\$ 3Supplemental non-cash items: Current and non-current liabilities issued for leasehold improvements\$ 210\$ - | | | (1,497) | | 361 |
| Cash paid for taxes\$18\$3Supplemental non-cash items: Current and non-current liabilities issued for leasehold improvements\$210\$- | | | 9,665 | | |
| Supplemental non-cash items:Current and non-current liabilities issued for leasehold improvements\$ 210 \$ - | Cash and cash equivalents at end of period | \$ | 8,168 | \$ | 8,822 |
| Current and non-current liabilities issued for leasehold improvements \$ 210 \$ - | Cash paid for taxes | \$ | 18 | \$ | 3 |
| 1 | Supplemental non-cash items: | | | | |
| • | Current and non-current liabilities issued for leasehold improvements | \$ | 210 | \$ | - |
| | Accrued dividends | | 56 | | - |