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PAR TECHNOLOGY CORP
Form 8-K
April 27, 2005

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): April 27, 2005

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 April 27, 2005, PAR Technology Corporation issued a press release

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announcing its results of operation for the quarterly period ending March 31, 2005. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

99.1 Press Release dated April 27, 2005.

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: April 27, 2005

/s/ RONALD J. CASCIANO

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

EXHIBIT INDEX

Exhibit Number	Description
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99.1	Press Release dated April 27, 2005.

CONTACT: Christopher R. Byrnes (315) 738-0600 ext. 226
cbyrnes@partech.com, www.partech.com

PAR TECHNOLOGY CORPORATION
-REPORTS RECORD FIRST QUARTER RESULTS-

|X| RECORD REVENUES FOR 1ST QUARTER
|X| REVENUES RISE 29%
|X| EPS GROWS 75%

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

New Hartford, NY--April 27, 2005--PAR Technology Corporation (NYSE:PTC) today

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announced results from operations for the first quarter ended March 31, 2005.

PAR reported record first quarter revenues of \$48.8 million, a 29% increase over the \$37.9 million reported in the same period a year ago. Net income for the first quarter of \$1.3 million was reported compared with net income of \$736,000 in the first quarter of 2004, a 77% increase. The Company reported diluted earnings per share of \$0.14 for the first quarter of 2005, an increase of 75% when compared to diluted earnings per share of \$0.08 for the first quarter of last year.

PAR experienced significant revenue growth in both of its businesses. PAR's hospitality technology revenues grew 30% from a year ago along with the Company's Government business raising revenues by 26% over the first quarter of 2004.

John W. Sammon, PAR Chairman and CEO commented, "We are pleased with our results for the first three months of 2005. Our business units continue to execute at a high level and with operational excellence. We believe our growth is indicative of the value our integrated solutions deliver to our customers. The sustained success in our results continues to reflect well on our strategy, which includes increasing the software content of the revenue mix to improve product and service margins. Our innovative products and services have extended our technology leadership in the marketplace by best addressing the current and emerging requirements of our customers."

Sammon concluded, "We exceeded expectations for first quarter performance and posted record revenues for the quarter. This success is attributed to stronger than anticipated market demand for our integrated solutions and the continued improvements in execution Company wide. We remain confident we are well positioned to deliver positive results for the balance of the year."

Statements in this release or by the Company's 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 hospitality technology 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.

ABOUT PAR TECHNOLOGY

PAR Technology Corporation is a leading provider of professional services and enterprise business intelligence software and hardware to the hospitality industry. PAR develops, markets and supports hardware and software products that improve the ability of hospitality business professionals to make timely, fact-based business decisions. The Company is a premier provider of I/T management solutions to hotel and restaurant companies, with over 40,000 installations worldwide in 100 countries. PAR is 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)

	March 31, 2005	December 31, 2004
	-----	-----
Assets		
Current assets:		
Cash	\$ 3,362	\$ 8,696
Accounts receivable-net	33,292	32,702
Inventories - net	27,450	27,047
Deferred income taxes	6,689	6,634
Other current assets	2,785	2,617
	-----	-----
Total current assets	73,578	77,696
Property, plant and equipment - net	7,972	8,123
Goodwill	15,379	15,379
Intangible assets - net	9,001	9,235
Other assets	1,672	1,319
	-----	-----
	\$ 107,602	\$ 111,752
	=====	=====
Liabilities and Shareholders' Equity		
Current liabilities:		
Current portion of long-term debt	\$ 68	\$ 90
Borrowings under lines of credit	2,555	10,246
Accounts payable	10,869	9,486
Accrued salaries and benefits	7,747	8,072
Accrued expenses	2,694	2,998
Customer deposits	4,468	4,861
Deferred service revenue	10,037	9,083
Net liabilities of discontinued operation .	290	323
	-----	-----
Total current liabilities	38,728	45,159
	-----	-----
Long-term debt	2,008	2,005
	-----	-----
Deferred income taxes	592	194
	-----	-----
Other long-term liabilities	1,190	820
	-----	-----
Commitments and contingent liabilities		
Shareholders' equity:		
Preferred stock, \$.02 par value, 1,000,000 shares authorized	--	--
Common stock, \$.02 par value, 19,000,000 shares authorized; 10,188,082 and 10,139,132 shares issued; 8,984,406 and 8,935,456 outstanding	204	203
Capital in excess of par value	31,900	31,560
Retained earnings	39,316	38,010
Accumulated other comprehensive loss	(318)	(181)
Treasury stock, at cost, 1,203,676 shares	(6,018)	(6,018)
	-----	-----
Total shareholders' equity	65,084	63,574
	-----	-----
	\$ 107,602	\$ 111,752
	=====	=====

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PAR TECHNOLOGY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(in thousands except per share amounts)
(unaudited)

	For the three months ended March 31,	
	2005	2004
	-----	-----
Net revenues:		
Product	\$ 21,001	\$ 16,239
Service	13,402	10,307
Contract	14,354	11,352
	-----	-----
	48,757	37,898
	-----	-----
Costs of sales:		
Product	12,876	11,037
Service	10,447	8,945
Contract	13,565	10,530
	-----	-----
	36,888	30,512
	-----	-----
Gross margin	11,869	7,386
	-----	-----
Operating expenses:		
Selling, general and administrative	7,393	5,016
Research and development	2,278	1,343
Amortization of identifiable intangible assets	246	--
	-----	-----
	9,917	6,359
	-----	-----
Operating income	1,952	1,027
Other income, net	233	211
Interest expense	(78)	(73)
	-----	-----
Income before provision for income taxes	2,107	1,165
Provision for income taxes	(801)	(429)
	-----	-----
Net income \$	1,306	\$ 736
	=====	=====
Earnings per share:		
Basic:	\$.15	\$.09
Diluted:	\$.14	\$.08
Weighted average shares outstanding		
Basic:	8,954	8,570
	=====	=====
Diluted:	9,541	9,129
	=====	=====