Kewaunee Scientific Reports Sales and Earnings For First Quarter

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STATESVILLE, N.C., Aug. 24, 2011 /PRNewswire/ -- Kewaunee Scientific Corporation (Nasdaq: KEQU [1]) today reported sales and earnings for its first quarter ended July 31, 2011.

Sales for the quarter were $26,321,000, up 5.9% from sales of $24,858,000 in the first quarter last year. Net earnings for the quarter were $22,000, or $0.01 per diluted share, down from net earnings of $657,000, or $0.25 per diluted share, in the first quarter of the prior year. Earnings for the quarter were unfavorably impacted by lower selling prices and higher costs paid for raw materials, particularly steel and epoxy resin. Additionally, costs associated with the startup of manufacturing for the Company's new laminate furniture product line reduced after-tax earnings by approximately $188,000, or $0.07 per diluted share.

Domestic sales for the quarter were $23,396,000, up from sales of $20,948,000 in the first quarter last year. The domestic marketplace for laboratory projects was generally unchanged from recent quarters, as demand for larger projects continued to hold up relatively well, while demand for small and mid-sized laboratory projects remained well below pre-recession levels. International sales for the quarter were $2,925,000, down from $3,910,000 in the first quarter last year. Although not reflected in the sales figure, the recovery in the international laboratory marketplace appears to be well underway, as the Company is seeing and bidding increasing numbers of opportunities in Asia and the Middle East. The Company's expanded and strengthened international sales representation is helping the Company take early advantage of the recovery.

The order backlog grew to a record $69.7 million at July 31, 2011, up from $65.7 million at April 30, 2011 and $66.9 million at July 31, 2010.

"Dramatic increases in raw material prices, particularly steel and epoxy resin, whi
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SOURCE [2]

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