

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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**FORM 8-K**

**CURRENT REPORT**

**PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (January 31, 2008): January 31, 2008

**LABARGE, INC.**

(Exact name of registrant as specified in its charter)

**DELAWARE**

(State or other jurisdiction of  
incorporation or organization)

**001-05761**

(Commission File Number)

**73-0574586**

(IRS Employer  
Identification No.)

**9900 Clayton Road, St. Louis, Missouri**

(Address of Principal Executive Offices)

**63124**

(Zip Code)

**(314) 997-0800**

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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## Item 2.02 Results of Operations and Financial Condition.

On January 31, 2008, LaBarge, Inc. issued a press release announcing its financial results for the fiscal 2008 second quarter ended December 30, 2007. A copy of the press release is attached hereto and hereby incorporated by reference.

The information set forth in this Current Report on Form 8-K, including Exhibit 99.1, is being furnished pursuant to Regulation FD and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such filing.

### Forward Looking Statements

This Current Report on Form 8-K, including Exhibit 99.1, may contain forward-looking statements that are based on management's expectations and beliefs concerning future events impacting the Registrant. Certain matters contained herein are based upon information available to management as of the date hereof. These forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions that are difficult to predict. As a result, actual results may differ materially and adversely from those expressed in any forward-looking statement. Factors that may cause such a difference include, but are not limited to, risks and uncertainties described in the Registrant's Annual and Quarterly Reports on Form 10-K and 10-Q filed with the Securities and Exchange Commission. The Registrant undertakes no obligation to revise or update publicly any forward-looking statements, except as required by law.

## Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

### Exhibit No.    Description of Exhibit

99.1            Press release for LaBarge, Inc. for the fiscal 2008 second quarter ended December 30, 2007, and forward-looking statements relating to the 2008 fiscal year, as presented in a press release dated January 31, 2008.

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## 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 hereunto duly authorized.

Dated: January 31, 2008

LABARGE, INC.

By: /s/Donald H. Nonnenkamp

Name: Donald H. Nonnenkamp

Title: Vice President, Chief Financial  
Officer and Secretary

## **LaBARGE, Inc. Sets New Sales and Earnings Records for Fiscal 2008 Second Quarter and First Half**

### ***Q2 Net Sales Grow 10 Percent***

### ***Q2 Net Earnings Increase 6 Percent***

### ***Backlog Holds Steady at Record High***

ST. LOUIS--(BUSINESS WIRE)--LaBarge, Inc. (AMEX: LB) today reported financial results for the fiscal 2008 second quarter and first half ended December 30, 2007. Sales and earnings in the fiscal 2008 periods represent new quarterly and first-half records for the Company.

Fiscal 2008 second-quarter net sales rose 10 percent to \$67,052,000 from \$60,820,000 in the fiscal 2007 second quarter. Net earnings in the fiscal 2008 second quarter were \$3,397,000, or \$0.21 per diluted share, up 6 percent from \$3,197,000, or \$0.20 per diluted share, in the second quarter of fiscal 2007.

Net sales for the six months ended December 30, 2007 rose 14 percent to \$126,242,000 from \$110,720,000 in the fiscal 2007 first half. Net earnings in the fiscal 2008 first half were \$5,917,000, or \$0.37 per diluted share, up 6 percent from \$5,608,000, or \$0.35 per diluted share, in the first half of fiscal 2007.

Gross margin in the fiscal 2008 second quarter was 19.9 percent, compared with 19.2 percent in the fiscal 2008 first quarter and 20.6 percent in the fiscal 2007 second quarter. As a percentage of sales, operating income (defined as net sales less cost of sales and selling and administrative expense) in the fiscal 2008 second quarter was 8.8 percent, compared with 7.5 percent in the fiscal 2008 first quarter and 9.4 percent in the fiscal 2007 second quarter.

Selling, general and administrative expense (SG&A) as a percentage of sales was 11 percent in both the fiscal 2008 and fiscal 2007 second quarters. In actual dollars, fiscal 2008 second-quarter SG&A increased 10 percent from the previous second quarter. The increase in SG&A expense was primarily attributable to higher medical, professional services and compensation expenses.

Interest expense in the fiscal 2008 second quarter was \$387,000, compared with \$564,000 in the fiscal 2007 second quarter, reflecting lower average debt levels in the 2008 period.

Net cash provided by operating activities was approximately \$100,000 in the fiscal 2008 second quarter, compared with \$5,086,000 in the fiscal 2008 first quarter and \$2,926,000 in the fiscal 2007 second quarter. Fiscal 2008 second-quarter net cash provided by operating activities reflects increased levels of inventory and receivables.

Total debt at December 30, 2007 was \$24,057,000, up 3 percent from \$23,457,000 at September 30, 2007, and down 8 percent from \$26,256,000 at July 1, 2007. Stockholders' equity at December 30, 2007 was \$83,365,000, up 5 percent from \$79,623,000 at September 30, 2007, and up 9 percent from \$76,410,000 at July 1, 2007.

Bookings of new business were strong during the fiscal 2008 second quarter, with the largest contributions coming from the defense, industrial and natural resources market sectors. Backlog at December 30, 2007 was \$245,542,000, level with the end of the fiscal 2008 first quarter and up 17 percent from \$209,386,000 a year earlier.

Shipments on a variety of defense programs comprised the largest portion of revenues, accounting for 35 percent of fiscal 2008 second-quarter net sales, compared with 31 percent in the previous second quarter. Actual sales dollars from the defense market sector increased 24 percent in the fiscal 2008 second quarter, compared with the same period a year earlier.

Shipments to natural resources customers represented 28 percent of fiscal 2008 second-quarter net sales versus 24 percent in the previous second quarter. Actual sales dollars from this market sector were up 29 percent in the fiscal 2008 second quarter versus a year earlier, largely due to higher sales to mining customers during the fiscal 2008 second quarter.

Shipments to industrial customers were 17 percent of fiscal 2008 second-quarter revenues, compared with 14 percent in the fiscal 2007 second quarter. Actual sales dollars from the industrial market sector were up 33 percent in the fiscal 2008 second quarter versus a year earlier, due to increased shipments of equipment used in glass container fabrication systems.

Shipments to commercial aerospace customers were 8 percent of fiscal 2008 second-quarter revenues, compared with 11 percent in the previous second quarter. Fiscal 2008 second-quarter sales from the commercial aerospace market sector were down 24 percent from the year-ago period which included non-recurring revenue related to the settlement of a contract claim. Excluding the non-recurring revenue from the year-ago period, fiscal 2008 second-quarter commercial aerospace sales were up 15 percent.

Shipments to medical customers represented 7 percent of fiscal 2008 second-quarter sales, versus 2 percent in the year-ago second quarter. Actual sales dollars from the medical market sector nearly tripled in the fiscal 2008 second quarter versus a year earlier due to increased sales to various new and existing medical customers.

Revenues from the government systems market sector represented 4 percent of fiscal 2008 second-quarter sales, versus 14 percent in the year-ago period. The year-ago period included shipments for a postal automation program completed during the 2007 fiscal year, as well as higher shipments of airport security equipment.

## Outlook and Commentary

Chief Executive Officer and President Craig LaBarge commented, "LaBarge had an excellent second quarter and first half with sales, earnings, bookings and backlog up markedly from a year earlier. Further, improved operating efficiencies during the second quarter drove gross margin expansion of 70 basis points from the first-quarter level. Despite the record level of sales in this year's second quarter, robust booking activity allowed backlog to remain steady at the record level attained in the previous quarter.

"The strength of our current backlog and the continued vigor of the major markets we serve give us confidence in the positive near-term and long-term business outlooks for LaBarge. We expect sales and earnings in the third and fourth quarters of fiscal 2008 will compare favorably with both this year's second quarter and the comparable year-ago periods, translating to another record year for LaBarge," said Mr. LaBarge.

## Today's Conference Call Webcast

Today, at 11 a.m. Eastern time, LaBarge will host a live audio webcast of its discussion with the investment community regarding financial results for the Company's fiscal 2008 second quarter. The webcast can be accessed on the Internet through <http://viaavid.net/dce.aspx?sid=000049F4> and the investor relations calendar area of <http://www.labarge.com>. Following the live discussion, a replay of the webcast will be available at the same locations on the Internet.

## About LaBarge, Inc.

LaBarge, Inc. is a broad-based provider of electronics to technology-driven companies in diverse industrial markets. The Company provides its customers with sophisticated electronic and electromechanical products through contract design and manufacturing services. Headquartered in St. Louis, LaBarge has operations in Arkansas, Missouri, Oklahoma, Pennsylvania and Texas. The Company's Web site address is <http://www.labarge.com>.

## (Financial tables follow)

**LaBarge, Inc.**  
**Consolidated Statements of Income**  
(Unaudited)  
*(amounts in thousands, except per-share amounts)*

	Three Months Ended		Six Months Ended	
	December 30, 2007	December 31, 2006	December 30, 2007	December 31, 2006
<b>Net sales</b>	\$ 67,052	\$ 60,820	\$ 126,242	\$ 110,720
<b><u>COSTS AND EXPENSES:</u></b>				
Cost of sales	53,676	48,314	101,494	87,557
Selling and administrative expense	7,465	6,800	14,412	12,791
Interest expense	387	564	814	1,215
Other expense and (income), net	22	(64)	32	(20)
Earnings before income taxes	5,502	5,206	9,490	9,177
Income tax expense	2,105	2,009	3,573	3,569
<b>Net earnings</b>	<b>\$ 3,397</b>	<b>\$ 3,197</b>	<b>\$ 5,917</b>	<b>\$ 5,608</b>
<b>Basic net earnings per common share:</b>				
<b>Basic net earnings</b>	<b>\$ 0.22</b>	<b>\$ 0.21</b>	<b>\$ 0.39</b>	<b>\$ 0.37</b>
<b>Average common shares outstanding</b>	<b>15,216</b>	<b>15,112</b>	<b>15,208</b>	<b>15,116</b>

**Diluted net earnings per share:**

<b>Diluted net earnings</b>	<b>\$ 0.21</b>	\$ 0.20	<b>\$ 0.37</b>	\$ 0.35
<b>Average diluted common shares outstanding</b>	<b>16,092</b>	16,008	<b>16,059</b>	16,040

**LaBarge, Inc.**  
**Consolidated Balance Sheets**  
(amounts in thousands, except share amounts)

	<b>December 30, 2007</b>	<b>July 1, 2007</b>
	(Unaudited)	
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 451	\$ 392
Accounts and other receivables, net	36,983	30,204
Inventories	66,011	59,717
Prepaid expenses	1,889	2,333
Deferred tax assets, net	1,834	1,822
<b>Total current assets</b>	<b>107,168</b>	94,468
Property, plant and equipment, net	17,269	16,269
Intangible assets, net	1,851	2,282
Goodwill, net	24,292	24,292
Deferred tax asset, net	743	499
Other assets, net	4,959	4,772
<b>Total assets</b>	<b>\$ 156,282</b>	\$142,582
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities:</b>		
Short-term borrowings	\$ 15,775	\$ 14,825
Current maturities of long-term debt	6,265	6,300
Trade accounts payable	24,016	18,643
Accrued employee compensation	10,643	10,837
Other accrued liabilities	2,465	2,321
Cash advances	8,281	3,613
<b>Total current liabilities</b>	<b>67,445</b>	56,539
Long-term advances from customers for purchase of materials	1,009	1,590
Deferred gain on sale of real estate and other liabilities	2,445	2,912
Long-term debt	2,017	5,131
<b>Stockholders' equity:</b>		
Common stock, \$.01 par value. Authorized 40,000,000 shares; 15,773,253 issued at December 30, 2007 and July 1, 2007, including shares in treasury	158	158
Additional paid-in capital	16,286	16,174
Retained earnings	69,691	63,774
Less cost of common stock in treasury, shares of 368,655 at December 30, 2007 and 506,704 at July 1, 2007	(2,769)	(3,696)
<b>Total stockholders' equity</b>	<b>83,366</b>	76,410
<b>Total liabilities and stockholders' equity</b>	<b>\$ 156,282</b>	\$142,582

*This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements reflect management's current expectations and involve a number of risks and uncertainties. Actual results may differ materially from such statements due to a variety of factors that could adversely affect LaBarge, Inc.'s operating results. These risks and factors are set forth in documents LaBarge, Inc. files with the Securities and Exchange Commission, specifically in the Company's most recent Annual Report on Form 10-K and other reports it files*

*from time to time.*

CONTACT:

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