

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2007

OR

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 0-14275

EDAC Technologies Corporation

(Exact name of registrant as specified in its charter)

Wisconsin

(State or other jurisdiction of  
incorporation or organization)

39-1515599

(I.R.S. employer  
Identification No.)

1806 New Britain Avenue, Farmington, CT 06032

(Address of principal executive offices)

(860) 677-2603

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).  
Yes  No

On April 23, 2007 there were outstanding 4,583,103 shares of the registrant's Common Stock, \$0.0025 par value per share.

PART I FINANCIAL INFORMATION  
ITEM 1 FINANCIAL STATEMENTS

EDAC TECHNOLOGIES CORPORATION  
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2007 <u>(Unaudited)</u>	December 30, 2006 <u>(Audited)</u>
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash	\$ 637,441	\$ 925,197
Trade accounts receivable, (net of allowance for doubtful accounts of \$110,000 as of March 31, 2007 and December 30, 2006)	7,215,186	7,331,226
Inventories, net	8,632,477	8,234,866
Prepaid expenses and other	244,227	56,438
Refundable income taxes	140,650	140,650
Deferred income taxes	<u>211,394</u>	<u>211,394</u>
TOTAL CURRENT ASSETS	<u>17,081,375</u>	<u>16,899,771</u>
PROPERTY, PLANT, AND EQUIPMENT less-accumulated depreciation	<u>31,225,772</u> <u>20,873,938</u> <u>10,351,834</u>	<u>30,646,744</u> <u>20,315,938</u> <u>10,330,806</u>
DEFERRED INCOME TAXES	<u>1,022,786</u>	<u>1,248,786</u>
OTHER ASSETS	<u>80,292</u>	<u>86,001</u>
TOTAL ASSETS	<u>\$ 28,536,287</u>	<u>\$ 28,565,364</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

EDAC TECHNOLOGIES CORPORATION  
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2007 <u>(Unaudited)</u>	December 30, 2006 <u>(Audited)</u>
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>		
CURRENT LIABILITIES:		
Revolving line of credit	\$ 850,000	\$1,000,000
Current portion of long-term debt	1,926,779	1,895,436
Trade accounts payable	4,541,348	4,806,090
Accrued employee compensation and amounts withheld	1,454,907	1,511,820
Other accrued expenses	509,640	355,415
Customer advances	55,377	120,767
TOTAL CURRENT LIABILITIES	<u>9,338,051</u>	<u>9,689,528</u>
LONG-TERM DEBT, less current portion	<u>7,586,279</u>	<u>8,081,720</u>
OTHER LONG-TERM LIABILITIES	<u>163,981</u>	<u>163,981</u>
SHAREHOLDERS' EQUITY:		
Common stock, par value \$.0025 per share; 10,000,000 shares authorized; issued - 4,538,103 on March 31, 2007 and 4,526,437 on December 30, 2006	11,345	11,316
Additional paid-in capital	9,567,222	9,530,688
Retained earnings	3,352,450	2,571,172
	<u>12,931,017</u>	<u>12,113,176</u>
Less: accumulated other comprehensive loss	<u>1,483,041</u>	<u>1,483,041</u>
TOTAL SHAREHOLDERS' EQUITY	<u>11,447,976</u>	<u>10,630,135</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 28,536,287</u>	<u>\$ 28,565,364</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

EDAC TECHNOLOGIES CORPORATION  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	<u>For the quarter ended</u>	
	<u>March 31,</u> <u>2007</u>	<u>April 1,</u> <u>2006</u>
Sales	\$12,315,638	\$ 9,595,579
Cost of sales	<u>9,968,094</u>	<u>7,970,934</u>
Gross profit	2,347,544	1,624,645
Selling, general and administrative expenses	<u>917,625</u>	<u>1,013,865</u>
Income from operations	1,429,919	610,780
Non-operating income (expense):		
Interest expense	(194,436)	(153,399)
Other	<u>4,795</u>	<u>14,388</u>
Income before income taxes	1,240,278	471,769
Provision for income taxes	<u>459,000</u>	<u>179,000</u>
Net income	<u>\$ 781,278</u>	<u>\$ 292,769</u>
Income per share data (Note A):		
Basic income per share	<u>\$0.17</u>	<u>\$0.06</u>
Diluted income per share	<u>\$0.16</u>	<u>\$0.06</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

EDAC TECHNOLOGIES CORPORATION  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
(UNAUDITED)

	<u>For the three months ended</u>	
	<u>March 31,</u> <u>2007</u>	<u>April 1,</u> <u>2006</u>
Operating Activities:		
Net income	\$781,278	\$292,769
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	563,709	494,708
Deferred income taxes	226,000	-
Compensation expense pursuant to stock options	13,806	9,185
Excess tax benefit from share-based compensation	(8,000)	(2,000)
Changes in working capital items	<u>(702,180)</u>	<u>(892,718)</u>
Net cash provided by (used in) operating activities	<u>874,613</u>	<u>(98,056)</u>
Investing Activities:		
Additions to property, plant and equipment	<u>(579,028)</u>	<u>(1,023,009)</u>
Net cash used in investing activities	<u>(579,028)</u>	<u>(1,023,009)</u>
Financing Activities:		
Decrease in revolving line of credit	(150,000)	-
Repayments of long-term debt	(464,098)	(354,742)
Borrowing on long-term debt	-	818,877
Proceeds from exercise of options and issuance of common stock	22,757	3,224
Excess tax benefit from share-based compensation	<u>8,000</u>	<u>2,000</u>
Net cash (used in) provided by financing activities	<u>(583,341)</u>	<u>469,359</u>
Decrease in cash	(287,756)	(651,706)
Cash at beginning of period	<u>925,197</u>	<u>2,468,964</u>
Cash at end of period	<u>\$ 637,441</u>	<u>\$1,817,258</u>
Supplemental Disclosure of Cash Flow Information:		
Interest paid	\$ 194,436	\$ 153,399
Income taxes paid	38,973	105,025

The accompanying notes are an integral part of these condensed consolidated financial statements.

NOTE A -- BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and in accordance with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals and adjustments to previously established loss provisions) considered necessary for a fair presentation have been included. Operating results for the three months ended March 31, 2007 are not necessarily indicative of the results that may be expected for the year ending December 29, 2007. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's annual report on Form 10-K for the fiscal year ended December 30, 2006.

Inventories: Inventories are stated at the lower of cost (first-in, first-out method) or market. The Company has specifically identified certain inventory as obsolete or slow moving and has provided a full reserve for these parts. As of March 31, 2007 and December 30, 2006, inventories consisted of the following:

	March 31, <u>2007</u>	December 30, <u>2006</u>
Raw materials	\$2,089,669	\$1,972,871
Work-in-progress	5,933,017	5,636,354
Finished goods	<u>1,259,765</u>	<u>1,271,208</u>
	9,282,451	8,880,433
Reserve for excess and obsolete	<u>(649,974)</u>	<u>(645,567)</u>
Inventories, net	<u>\$8,632,477</u>	<u>\$8,234,866</u>

Income per share: The number of shares used in the income per common share computations for the three month periods ended March 31, 2007 and April 1, 2006 are as follows:

	<u>For the quarter ended</u>	
	<u>March 31, 2007</u>	<u>April 1, 2006</u>
Basic:		
Average common shares outstanding	4,532,687	4,506,145
Diluted:		
Dilutive effect of stock options	<u>296,791</u>	<u>285,590</u>
Average common shares diluted	<u>4,829,478</u>	<u>4,791,735</u>
Options excluded since anti-dilutive	<u>32,000</u>	<u>92,000</u>

Comprehensive Income: Comprehensive income is the same as net income for the three month periods ended March 31, 2007 and April 1, 2006, since the valuation used in connection with determining the amount of the change in the Company's unfunded pension liability is determined at the end of the year.

New Accounting Standards: In June 2006, the FASB issued FASB Interpretation No. 48 "Accounting for Uncertainty in Income Taxes (an interpretation of FASB Statement No. 109)" which was effective for fiscal years beginning after December 15, 2006 with earlier adoption encouraged. This interpretation was issued to clarify the accounting for uncertainty in income taxes recognized in the financial statements by prescribing a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The adoption of FASB Interpretation No. 48 did not have a material effect on the condensed consolidated financial statements.

In September 2006, the FASB issued FASB Staff Position AUG AIR-1, "Accounting for Planned Major Maintenance Activities" which is effective for fiscal years beginning after December 15, 2006. This position statement eliminates the accrue-in-advance method of accounting for planned major maintenance activities. The adoption of FASB Staff Position AUG AIR-1 did not have a material effect on the condensed consolidated financial statements.

In September 2006, the FASB issued Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" which is effective for fiscal years beginning after November 15, 2007 and for interim periods within those years. This statement defines fair value, establishes a framework for measuring fair value and expands the related disclosure requirements. We are currently evaluating the potential impact of this statement.

In February 2007, the FASB issued Statement of Financial Accounting Standards No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities - Including an Amendment of FASB Statement No. 115" which is effective for fiscal years beginning after November 15, 2007. This statement permits an entity to choose to measure many financial instruments and certain other items at fair value at specified election dates. Subsequent unrealized gains and losses on items for which the fair value option has been elected will be reported in earnings. We are currently evaluating the potential impact of this statement.

In September 2005, the Financial Accounting Standards Board (FASB) issued a Proposed Statement of Financial Accounting Standards which amends FASB Statement No. 128, "Earnings per Share". The proposed statement is intended to clarify guidance on the computation of earnings per share for certain items such as mandatorily convertible instruments, the treasury stock method, and contingently issuable shares. We have evaluated the proposed statement as presently drafted and have determined that, if adopted in its current form, it would not have a significant impact on the computation of our earnings per share.

## NOTE B -- FINANCING ARRANGEMENTS

Notes payable and long-term debt consist of the following:

	March 31, <u>2007</u>	December 30, <u>2006</u>
Revolving line of credit	\$ 850,000	\$1,000,000
Term notes	5,592,451	5,970,644
Mortgage loans	3,227,840	3,257,660
Equipment note payable	8,154	9,806
Capital lease obligations	<u>684,613</u>	<u>739,046</u>
	10,363,058	10,977,156
Less - revolving line of credit	850,000	1,000,000
Less - current portion of long-term debt	<u>1,926,779</u>	<u>1,895,436</u>
	<u>\$ 7,586,279</u>	<u>\$ 8,081,720</u>

## NOTE C – DEFINED BENEFIT PENSION PLAN

The following table sets forth the components of net periodic benefit cost (in thousands):

	<u>For the quarter ended</u>	
	March 31, <u>2007</u>	April 1, <u>2006</u>
Components of net periodic benefit cost:		
Interest cost	\$88	\$85
Expected return on plan assets	(90)	(81)
Amortization of actuarial loss	<u>10</u>	<u>28</u>
Net periodic pension expense	<u>\$ 8</u>	<u>\$32</u>

Company contributions paid to the plan for the three month period ended March 31, 2007 totaled \$69,756.

## NOTE D – INCOME TAXES

The provision for income taxes is as follows (in thousands):

	<u>For the quarter ended</u>	
	March 31, <u>2007</u>	April 1, <u>2006</u>
Current provision	\$233	\$179
Deferred provision	<u>226</u>	<u>-</u>
Total provision	<u>\$459</u>	<u>\$179</u>

The income tax provision for the three month period ended March 31, 2007, was calculated using an effective rate of 37%. The income tax

provision for the three month period ended April 1, 2006, was calculated using an effective rate of 38%.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Sales.

Sales to the Company's principal markets are as follows (in thousands):

	<u>For the quarter ended</u>	
	<u>March 31,</u>	<u>April 1,</u>
	<u>2007</u>	<u>2006</u>
Aerospace customers.....	\$9,180	\$5,870
Non-aerospace customers.....	<u>3,136</u>	<u>3,726</u>
	<u>\$12,316</u>	<u>\$9,596</u>

The Company's sales increased \$2,720,000, or 28.3%, for the three months ended March 31, 2007, as compared to the three month period ended April 1, 2006. Sales to aerospace customers increased \$3,310,000, or 56.4%, for the three months ended March 31, 2007 as compared to the three month period ended April 1, 2006, due to the increase in shipments of commercial jet engine parts. Sales to non-aerospace customers decreased \$590,000, or 15.8% for the three months ended March 31, 2007, as compared to the three month period ended April 1, 2006, primarily due to decreased demand from a customer in the consumer products industry.

Sales and sales increases (decrease) by product line for the three month period ended March 31, 2007 compared to the three month period ended April 1, 2006 were as follows (in thousands):

<u>Product Line</u>	<u>For the Three Months Ended</u>		
	<u>Mar. 31,</u>	<u>Apr. 1,</u>	<u>Change</u>
	<u>2007</u>	<u>2006</u>	
Precision Aerospace	\$6,366	\$3,615	\$2,751
Apex Machine Tool	5,101	4,843	258
Gros-Ite Spindles	<u>849</u>	<u>1,138</u>	<u>(289)</u>
Total	<u>\$12,316</u>	<u>\$9,596</u>	<u>\$2,720</u>

Sales for the Apex Machine Tool product line increased \$258,000, or 5.3%, for the three months ended March 31, 2007, as compared to the three month period ended April 1, 2006. This increase was due to increased sales to new customers as a result of the Company's diversification initiative, partially offset by a decrease in sales to a customer in the consumer products industry. Based on projections from this consumer products customer for the remainder of 2007, the Company anticipates demand to be at a reduced level from 2006. Based on projections from its other customers, the Company anticipates a

continuation of the demand from such customers for the remainder of 2007 for its Apex Machine Tool product line.

Sales for the Precision Aerospace product line increased \$2,751,000, or 76.1%, for the three months ended March 31, 2007, as compared to the three month period ended April 1, 2006. The increase was due to increased shipments of jet engine parts to its major aerospace customers. The Company's sales backlog for Precision Aerospace increased by \$2.6 million from December 30, 2006 to March 31, 2007. The Company believes that the aerospace industry's demand for its machining services will continue to increase. To further increase machining capacity in support of the Precision Aerospace product line, the Company has budgeted over \$2,000,000 for additional machinery and equipment yet to be delivered in 2007.

Sales for the Gros-Ite Spindles product line decreased \$289,000, or 25.4%, for the three months ended March 31, 2007, as compared to the three month period April 1, 2006. The decrease in sales was due to decreased demand for new spindles, as well as the decreased demand for the repair of all brands of spindles. The Company believes that demand will increase for the remainder of 2007, based on indications from its customers.

As of March 31, 2007, sales backlog was approximately \$31,600,000 compared to \$28,800,000 as of December 30, 2006. Backlog consists of accepted purchase orders that are cancelable by the customer without penalty, except for payment of costs incurred. The Company presently expects to complete approximately \$20,900,000 of its March 31, 2007 backlog during the remainder of the 2007 fiscal year. The remaining \$10,700,000 of backlog is deliverable in fiscal year 2008 and beyond.

Cost of Sales. Cost of sales as a percentage of sales decreased to 80.9% from 83.1%, for the three months ended March 31, 2007, compared to the three month period ended April 1, 2006. The decrease was due primarily to (i) a more profitable mix of products produced and sold and (ii) sales levels increasing in 2007 greater than manufacturing costs due to the fixed element or semi-variable element of certain manufacturing costs.

Selling, General & Administrative Expenses. Selling, general and administrative expenses decreased approximately \$96,000, or 9.5%, for the three months ended March 31, 2007, as compared to the three month period ended April 1, 2006. The decrease in these costs was mainly the result of \$226,000 of costs associated with expansion of our manufacturing capacity by approximately 24,000 square feet and other non-recurring expenses incurred in the quarter ended April 1, 2006, partially offset by increased bonus and profit sharing and professional costs in the three months ended March 31, 2007.

Interest Expense. Interest expense increased approximately \$41,000, or 26.8%, for the three months ended March 31, 2007, as compared to the three month period ended April 1, 2006. This increase was due to increased borrowing levels.

Income Taxes. The income tax provision for the three month period ended March 31, 2007, was calculated using an effective rate of 37%. The

income tax provision for the three month period ended April 1, 2006, was calculated using an effective rate of 38%.

#### Liquidity and Capital Resources.

Net cash provided by operating activities of \$875,000 for the three months ended March 31, 2007 resulted primarily from cash earnings, an increase in accrued expenses and a decrease in accounts receivable partially offset by increases in inventories and prepaid expenses and a decrease in accounts payable.

Net cash used in investing activities of \$579,000 for the three months ended March 31, 2007, consisted of expenditures primarily for machinery and equipment.

Net cash used in financing activities of \$583,000 for the three months ended March 31, 2007, resulted from the repayment of long-term bank debt and the revolving line of credit.

Net cash used in operating activities of \$98,000 for the three months ended April 1, 2006 resulted primarily from an increase in accounts receivable and decreases in accrued liabilities and customer advances partially offset by cash earnings and an increase in accounts payable.

Net cash used in investing activities of \$1,023,000 for the three months ended April 1, 2006, consisted of expenditures primarily for machinery and equipment.

Net cash provided by financing activities of \$469,000 for the three months ended April 1, 2006, resulted from a borrowing for machinery and equipment financing partially offset by the repayment of long-term bank debt.

#### **CRITICAL ACCOUNTING POLICIES AND ESTIMATES**

Preparation of the Company's consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Management's Discussion and Analysis and Note A to the Consolidated Financial Statements in the Company's Annual Report, incorporated by reference in Form 10-K for the Company's fiscal year 2006, describe the significant accounting policies used in preparation of the Consolidated Financial Statements. Actual results in these areas could differ from management's estimates.

Accounts receivable- The Company evaluates its allowance for doubtful accounts by considering the age of each invoice, the financial strength of the customer, the customer's past payment record and subsequent payments.

Inventories- The Company has specifically identified certain inventory as obsolete or slow moving and provided a full reserve for these parts. The assumption is that these parts may not be sold. The assumptions and the resulting reserve have been accurate in the past, and are not likely to change materially in the future.

Stock-Based Compensation Expense- The Company accounts for employee stock-based compensation costs in accordance with Statement of Financial Accounting Standards No. 123R, "Share-Based Payment" ("SFAS 123R"). The Black-Scholes option pricing model is utilized to estimate the fair value of employee stock based compensation at the date of grant, which requires the input of highly subjective assumptions, including expected volatility and expected life. As required under SFAS 123R, forfeitures for options granted, which are not expected to vest are estimated. Changes in these assumptions can materially affect the measure of estimated fair value of our share-based compensation.

Pension- The Company maintains a defined benefit pension plan. Assumptions used in accounting for the plan include the discount rate and expected rate of return on plan assets. The assumptions are determined based on appropriate market indicators and are evaluated each year as of the Plan's measurement date. A change in either of these assumptions would have an effect on the Company's net periodic benefit cost.

Income Taxes - The Company recognizes deferred tax assets when, based upon available evidence, realization is more likely than not.

All statements other than historical statements contained in this Form 10-Q constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Without limitation, these forward looking statements include statements regarding the Company's business strategy and plans, statements about the adequacy of the Company's working capital and other financial resources, statements about the Company's bank agreements, statements about the Company's backlog, statements about the Company's action to improve operating performance, and other statements herein that are not of a historical nature. These forward-looking statements rely on a number of assumptions concerning future events and are subject to a number of uncertainties and other factors, many of which are outside of the Company's control, that could cause actual results to differ materially from such statements. These include, but are not limited to, factors which could affect demand for the Company's products and services such as general economic conditions and economic conditions in the aerospace industry and the other industries in which the Company competes; competition from the Company's competitors; the Company's ability to effectively use business-to-business tools on the Internet to improve operating results; the adequacy of the Company's revolving credit facility and other sources of capital; and other factors discussed in the Company's annual report on Form 10-K for the fiscal year ended December 30, 2006. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

### ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest rate risk related to its notes payable and long-term debt is the primary source of financial market risk to the Company.

The interest rate risk is limited, however, to the exposure related to those debt instruments and credit facilities which are tied to market rates. The Company's only variable rate debt instruments are the revolving line of credit and the equipment line of credit. A hypothetical increase of 1% in the interest rate charged on the revolving line of credit would increase annual interest expense by approximately \$8,500, based on the March 31, 2007 outstanding balance. A hypothetical increase of 1% in the interest rate on the equipment line of credit would have no effect since the balance at March 31, 2007 was \$0.

The Company also maintains two mortgage loans at fixed interest rates, however, the interest rates are adjusted every five years to reflect a current index rate plus certain percentages. See Note B to the Condensed Consolidated Financial Statements. A hypothetical increase of 1% in the interest rate at the March 2011 adjustment date for the first mortgage will increase annual interest expense at that time by approximately \$14,000. A hypothetical increase of 1% in the interest rate at the April 2009 adjustment date for the Banknorth N.A. mortgage will increase annual interest expense at that time by approximately \$14,000.

#### ITEM 4. CONTROLS AND PROCEDURES

##### Evaluation of disclosure and procedures

The Company's management, with the participation of the Chief Executive Officer and Chief Financial Officer of the Company, evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of March 31, 2007 and, based on this evaluation, concluded that the Company's disclosure controls and procedures are functioning in an effective manner in that they provide reasonable assurance that the information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act, is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms.

#### ITEM 4T. CONTROLS AND PROCEDURES

##### Changes in internal control over financial reporting

No changes in the Company's internal control over financial reporting occurred during the three months ended March 31, 2007, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

## PART II -- OTHER INFORMATION

#### ITEM 1A. RISK FACTORS

There have been no material changes to the factors disclosed in Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended December 30, 2006.

ITEM 6. EXHIBITS

- 3.1\* EDAC's Amended and Restated Articles of Incorporation
- 3.2\* EDAC's Amended and Restated By-laws
- 31.1 Certification of Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended.
- 31.2 Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended.
- 32.1 Certification of Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934, as amended.

\* Incorporated by reference

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.

EDAC TECHNOLOGIES CORPORATION

May 3, 2007

By /s/Glenn L. Purple  
Glenn L. Purple, Chief Financial  
Officer and duly authorized officer

EXHIBIT INDEX

<u>NUMBER</u>	<u>DESCRIPTION</u>
3.1	EDAC's Amended and Restated Articles of Incorporation (1)
3.2	EDAC's Amended and Restated By-laws (2)
31.1*	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended.
31.2*	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as amended.
32.1*	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934, as amended.

(1) Exhibit incorporated by reference to the Company's registration statement on Form S-1 dated August 6, 1985, commission file No. 2-99491, Amendment No.1.

(2) Exhibit incorporated by reference to the Company's Report on Form 8-K dated February 19, 2002.

\* Filed herewith.