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**UNITED STATES  
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):

**October 25, 2007**

**Cavco Industries, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**000-08822**  
(Commission File Number)

**56-2405642**  
(IRS Employer  
Identification No.)

**1001 North Central Avenue, Suite 800, Phoenix, Arizona**  
(Address of principal executive offices)

**85004**  
(Zip Code)

Registrant's telephone number including area code: **(602) 256-6263**

**Not applicable**

(Former name or former address if changed from last report)

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 October 25, 2007, Cavco Industries, Inc., a Delaware corporation (the “Corporation”), announced its financial results for its fiscal second quarter and six months ended September 30, 2007. A copy of the Corporation’s press release announcing these financial results is attached as Exhibit 99.1 hereto and incorporated in this Item 2.02 by reference.

**Item 9.01. Financial Statements and Exhibits**

**Exhibit  
Number**

**Description**

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**99.1**

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Press Release dated October 25, 2007

## 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.

CAVCO INDUSTRIES, INC.

(Registrant)

By: /s/ Daniel L. Urness

Name: Daniel L. Urness

Title: Chief Financial Officer

Date: October 25, 2007

## EXHIBIT INDEX

**Exhibit  
Number**

**Description**

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**99.1**

Press Release dated October 25, 2007



**For additional information, contact:**

**Joseph Stegmayer**  
Chairman and CEO  
Phone: 602-256-6263  
[joes@cavco.com](mailto:joes@cavco.com)

**On the Internet:**  
[www.cavco.com](http://www.cavco.com)

**FOR IMMEDIATE RELEASE**

## **CAVCO INDUSTRIES REPORTS SECOND QUARTER RESULTS**

**Sales \$38.4 million**

**Net income \$1.9 million**

**PHOENIX, AZ** - (October 25, 2007) – Cavco Industries, Inc. (NASDAQ: CVCO) today announced financial results for the second quarter and first six months of fiscal 2008 ended September 30, 2007.

Net sales for the second quarter totaled \$38,435,000, down 11% from \$43,063,000 for the second quarter of fiscal year 2007.

Net income for the second quarter of \$1,909,000 was 41% below the \$3,217,000 reported in the same quarter one year ago. Net income per share based on basic and diluted weighted average shares outstanding was \$0.30 and \$0.29, respectively, versus \$0.51 and \$0.49, respectively last year.

For the first six months of fiscal 2008, net sales decreased 22% to \$75,801,000 from \$97,113,000 for the comparable prior year period, and net income declined 52% to \$3,644,000 from \$7,551,000 last year. For the first half of fiscal 2008, net income per share based on basic and diluted weighted average shares outstanding was \$0.57 and \$0.55, respectively, versus \$1.19 and \$1.14, respectively for the year-earlier period.

Commenting on the results, Joseph Stegmayer, Chairman, President and Chief Executive Officer, said, “The second quarter of fiscal 2008 has proven to be difficult, as expected. The reported turmoil in the mortgage loan markets and the overall housing sector weakness continue to affect our order rates and sales volume. While we have been successful in maintaining market share in our core region, the market itself remains depressed, with manufactured home shipments for the first eight months of the calendar year down 23% nationally and 43% in Arizona and California.”

Mr. Stegmayer concluded, “Although the strong headwinds in the market place will continue to be a challenge, we will remain focused on expanding the value and diversity of our product offerings. Tailoring homes to meet the needs of our customers coupled with a strong commitment to customer satisfaction and service are core competencies that will contribute to our long term success.”

Cavco’s senior management will hold a conference call to review these results tomorrow, October 26, 2007, at 12:00 noon (Eastern Time). Interested parties can access a live webcast of the conference call on the Internet at [www.cavco.com](http://www.cavco.com) under the Investor Relations link, or the web site [www.earnings.com](http://www.earnings.com). An archive of the webcast and presentation will be available for 90 days at these website addresses.

Cavco Industries, Inc., headquartered in Phoenix, is the largest producer of manufactured homes in Arizona, based on wholesale shipments. The Company is also a leading producer of park model homes and vacation cabins in the United States.

*Certain statements contained in this release are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities and Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. In general, all statements that are not historical in nature are forward-looking. Forward-looking statements are typically included, for example, in discussions regarding the manufactured housing and site-built housing industries; our financial performance and operating results; and the expected effect of certain risks and uncertainties on our business, financial condition and results of operations. All forward-looking statements are subject to risks and uncertainties, many of which are beyond our control. As a result, our actual results or performance may differ materially from anticipated results or performance. Factors that could cause such differences to occur include, but are not limited to, adverse industry conditions, a write-off of all or part of our goodwill could adversely affect operating results and net worth, the cyclical and seasonal nature of our business, limitations on our ability to raise capital, curtailment of available financing in the manufactured housing industry, our contingent repurchase obligations related to wholesale financing, competition, our ability to maintain relationships with retailers, labor shortages, pricing and availability of raw materials and unfavorable zoning ordinances, together with all of the other risks described in our filings with the Securities and Exchange Commission. Readers are specifically referred to the Risk Factors described in Item 1A of the 2007 Form 10-K, as may be amended from time to time, which identify important risks that could cause actual results to differ from those contained in the forward-looking statements. Cavco expressly disclaims any obligation to update any forward-looking statements contained in this release, whether as a result of new information, future events or otherwise. Investors should not place any reliance on any such forward-looking statements.*

(more)

**CAVCO INDUSTRIES, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
(Dollars in thousands)

	<u>September 30,</u> 2007 (Unaudited)	<u>March 31,</u> 2007
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 6,640	\$ 12,976
Short-term investments	64,675	50,900
Restricted cash	323	339
Accounts receivable	8,641	8,107
Inventories	11,689	13,464
Prepaid expenses and other current assets	1,874	2,273
Deferred income taxes	<u>4,018</u>	<u>3,930</u>
Total current assets	<u>97,860</u>	<u>91,989</u>
Property, plant and equipment, at cost:		
Land	6,050	6,050
Buildings and improvements	7,207	7,029
Machinery and equipment	<u>7,874</u>	<u>7,617</u>
	21,131	20,696
Accumulated depreciation	<u>(8,215)</u>	<u>(7,894)</u>
	<u>12,916</u>	<u>12,802</u>
Goodwill	<u>67,346</u>	<u>67,346</u>
Total assets	<u>\$ 178,122</u>	<u>\$ 172,137</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities		
Accounts payable	\$ 2,479	\$ 2,868
Accrued liabilities	18,934	18,417
Total current liabilities	<u>21,413</u>	<u>21,285</u>
Deferred income taxes	13,802	12,760
Commitments and contingencies		
Stockholders' equity		
Preferred Stock, \$.01 par value; 1,000,000 shares authorized; No shares issued or outstanding	-	-
Common Stock, \$.01 par value; 20,000,000 shares authorized; Outstanding 6,425,165 and 6,382,980 shares, respectively	64	64
Additional paid-in capital	124,039	122,868
Retained earnings	<u>18,804</u>	<u>15,160</u>
Total stockholders' equity	<u>142,907</u>	<u>138,092</u>
Total liabilities and stockholders' equity	<u>\$ 178,122</u>	<u>\$ 172,137</u>

(more)



**CAVCO INDUSTRIES, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Dollars in thousands, except per share amounts)  
(Unaudited)

	Three Months Ended		Six Months Ended	
	September 30,		September 30,	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Net sales	\$ 38,435	\$ 43,063	\$ 75,801	\$ 97,113
Cost of sales	<u>32,887</u>	<u>35,014</u>	<u>64,813</u>	<u>78,445</u>
Gross profit	5,548	8,049	10,988	18,668
Selling, general and administrative expenses	<u>3,555</u>	<u>3,718</u>	<u>7,129</u>	<u>8,139</u>
Income from operations	1,993	4,331	3,859	10,529
Interest income	<u>718</u>	<u>619</u>	<u>1,389</u>	<u>1,193</u>
Income before income taxes	2,711	4,950	5,248	11,722
Income tax expense	<u>802</u>	<u>1,733</u>	<u>1,604</u>	<u>4,171</u>
Net income	<u>\$ 1,909</u>	<u>\$ 3,217</u>	<u>\$ 3,644</u>	<u>\$ 7,551</u>
Net income per share:				
Basic	<u>\$ 0.30</u>	<u>\$ 0.51</u>	<u>\$ 0.57</u>	<u>\$ 1.19</u>
Diluted	<u>\$ 0.29</u>	<u>\$ 0.49</u>	<u>\$ 0.55</u>	<u>\$ 1.14</u>
Weighted average shares outstanding:				
Basic	<u>6,423,387</u>	<u>6,358,980</u>	<u>6,411,961</u>	<u>6,357,399</u>
Diluted	<u>6,660,242</u>	<u>6,602,291</u>	<u>6,656,135</u>	<u>6,623,719</u>

(more)

**CAVCO INDUSTRIES, INC.**  
**Other Operating Data – Continuing Operations**  
(Dollars in thousands, except average sales price amounts)  
(Unaudited)

	Three Months Ended September 30,		Six Months Ended September 30,	
	2007	2006	2007	2006
Net sales				
Manufacturing	\$ 35,130	\$ 41,376	\$ 71,368	\$ 92,944
Retail	4,414	3,477	7,024	7,796
Less: Intercompany	(1,109)	(1,790)	(2,591)	(3,627)
Net sales	<u>\$ 38,435</u>	<u>\$ 43,063</u>	<u>\$ 75,801</u>	<u>\$ 97,113</u>
Floor shipments - manufacturing	<u>1,317</u>	<u>1,494</u>	<u>2,656</u>	<u>3,350</u>
Average sales price per floor - manufacturing	<u>\$ 26,674</u>	<u>\$ 27,695</u>	<u>\$ 26,870</u>	<u>\$ 27,744</u>
Home shipments - manufacturing	<u>823</u>	<u>905</u>	<u>1,679</u>	<u>1,968</u>
Average sales price per home - manufacturing	<u>\$ 42,685</u>	<u>\$ 45,719</u>	<u>\$ 42,506</u>	<u>\$ 47,228</u>
Home shipments - retail	<u>67</u>	<u>33</u>	<u>96</u>	<u>76</u>
Capital expenditures	<u>\$ 225</u>	<u>\$ 214</u>	<u>\$ 501</u>	<u>\$ 714</u>
Depreciation	<u>\$ 197</u>	<u>\$ 140</u>	<u>\$ 387</u>	<u>\$ 372</u>

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