

ITERIS, INC.
Form 10-Q
February 09, 2012
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**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 December 31, 2011

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: 001-08762

ITERIS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

95-2588496

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

**1700 Carnegie Avenue, Suite 100
Santa Ana, California**

(Address of principal executive office)

92705

(Zip Code)

(949) 270-9400

(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, as amended (the Exchange Act), 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 has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

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

Large accelerated filer

Accelerated filer

Non-accelerated filer
(Do not check if a smaller reporting company)

Smaller reporting company

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

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As of January 27, 2012, there were 34,133,124 shares of common stock outstanding.

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ITERIS, INC.

**Quarterly Report on Form 10-Q
For the Three and Nine Months Ended December 31, 2011**

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Unless otherwise indicated in this report, the Company, we, us and our refer to Iteris, Inc. and our wholly-owned subsidiary Meridian Environmental Technology, Inc.

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Iteris®, Vantage®, VantageView , VersiCam , Abacus , Vantage Vector and iPerform are among the trademarks of Iteris, Inc. Any other trademarks or trade names mentioned herein are the property of their respective owners.

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	December 31, 2011	March 31, 2011
Assets		
Current assets:		
Cash and cash equivalents	\$ 21,519	\$ 11,818
Trade accounts receivable	9,610	9,419
Costs in excess of billings on uncompleted contracts	5,434	4,070
Inventories	1,909	2,392
Deferred income taxes	2,822	2,927
Prepaid expenses and other current assets	618	392
Current assets of discontinued operation		2,850
Total current assets	41,912	33,868
Property and equipment, net	2,097	2,461
Deferred income taxes	6,962	10,807
Intangible assets, net	2,602	1,845
Goodwill	17,318	16,599
Other assets	210	203
Non-current assets of discontinued operation		4,822
Total assets	\$ 71,101	\$ 70,605
Liabilities and stockholders equity		
Current liabilities:		
Trade accounts payable	\$ 3,973	\$ 2,985
Accrued payroll and related expenses	2,787	3,538
Accrued liabilities	4,231	3,203
Billings in excess of costs and estimated earnings on uncompleted contracts	1,824	1,335
Current portion of long-term debt	1,092	2,324
Current liabilities of discontinued operation		611
Total current liabilities	13,907	13,996
Long-term debt		640
Deferred rent	792	1,058
Unrecognized tax benefits	406	587
Other non-current liabilities	642	1,028
Total liabilities	15,747	17,309
Commitments and contingencies		
Stockholders equity:		
Common stock, \$0.10 par value, 70,000 shares authorized, 34,133 and 34,364 shares issued and outstanding at December 31, 2011 and March 31, 2011, respectively	3,413	3,436
Additional paid-in capital	137,865	137,938
Accumulated deficit	(85,924)	(88,078)
Total stockholders equity	55,354	53,296

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Total liabilities and stockholders' equity	\$	71,101	\$	70,605
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See accompanying notes.

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Iteris, Inc.

Unaudited Condensed Consolidated Statements of Operations

(In thousands, except per share amounts)

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2011	2010	2011	2010
Net sales and contract revenues:				
Net sales	\$ 6,598	\$ 6,529	\$ 21,234	\$ 21,470
Contract revenues	8,283	5,424	21,932	16,854
Total net sales and contract revenues	14,881			