

LANTRONIX INC  
Form 10-Q  
November 12, 2009

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

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2009

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: 1-16027

LANTRONIX, INC.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction  
of incorporation or organization)

33-0362767  
(I.R.S. Employer  
Identification No.)

15353 Barranca Parkway, Irvine, California  
(Address of principal executive offices)

92618  
(Zip Code)

(949) 453-3990

(Registrant's telephone number, including area code)

Former name, former address and former fiscal year, if changed since last report: N/A

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

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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 definition of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>	Non-accelerated filer	<input type="checkbox"/>	Smaller reporting
	<input type="checkbox"/>					company
				(do not check if a smaller		x
				reporting company)		

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

As of November 9, 2009, 61,740,460, shares of the Registrant’s common stock were outstanding.

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LANTRONIX, INC.

FORM 10-Q  
FOR THE FISCAL QUARTER ENDED  
September 30, 2009

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## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

LANTRONIX, INC.  
 UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS  
 (In thousands)

	September 30, 2009	June 30, 2009
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 9,120	\$ 9,137
Accounts receivable, net	1,665	1,851
Contract manufacturers' receivable	683	655
Inventories, net	6,103	6,479
Prepaid expenses and other current assets	603	529
<b>Total current assets</b>	<b>18,174</b>	<b>18,651</b>
Property and equipment, net	2,407	2,230
Goodwill	9,488	9,488
Purchased intangible assets, net	237	265
Other assets	136	122
<b>Total assets</b>	<b>\$ 30,442</b>	<b>\$ 30,756</b>
<b>Liabilities and stockholders' equity</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 5,797	\$ 5,626
Accrued payroll and related expenses	1,123	1,414
Warranty reserve	224	224
Restructuring reserve	31	76
Short-term debt	667	667
Other current liabilities	3,194	3,221
<b>Total current liabilities</b>	<b>11,036</b>	<b>11,228</b>
<b>Non-current liabilities:</b>		
Long-term liabilities	108	117
Long-term capital lease obligations	363	309
Long-term debt	611	778
<b>Total non-current liabilities</b>	<b>1,082</b>	<b>1,204</b>
<b>Total liabilities</b>	<b>12,118</b>	<b>12,432</b>
<b>Commitments and contingencies</b>		
<b>Stockholders' equity:</b>		
Common stock	6	6
Additional paid-in capital	190,031	189,579
Accumulated deficit	(172,186 )	(171,687 )
Accumulated other comprehensive income	473	426
<b>Total stockholders' equity</b>	<b>18,324</b>	<b>18,324</b>

Total liabilities and stockholders' equity	\$	30,442	\$	30,756
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See accompanying notes.

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LANTRONIX, INC.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS