

ENERGY FOCUS, INC/DE
Form 10-Q
August 09, 2007

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

Form 10-Q

(Mark one)

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES AND EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 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 0-24230

ENERGY FOCUS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

94-3021850

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

32000 Aurora Rd., Solon, OH

(Address of principal executive offices)

44139

(Zip Code)

(Registrant's telephone number, including area code): **(440) 715-1300**

FIBERSTARS, INC.

(Former Name, Former Address and Former Fiscal Year, If Changed Since Last Report)

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

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

The number of outstanding shares of the registrants' Common Stock, \$0.0001 par value, as of July 31, 2007 was 11,490,555.

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Item 1. Financial Statements

ENERGY FOCUS, INC.
CONDENSED
CONSOLIDATED BALANCE SHEETS
(amounts in thousands)

	June 30, 2007	December 31, 2006
	(unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 4,974	\$ 3,705
Short-term investments	6,767	12,263
Accounts receivable trade, net	4,854	6,185
Inventories, net	8,115	7,708
Prepaid and other current assets	627	324
Total current assets	25,337	30,185
Fixed assets, net	5,617	5,978
Goodwill, net	4,252	4,247
Other assets	162	182
Total assets	\$ 35,368	\$ 40,592
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 2,530	\$ 4,202
Accrued liabilities	1,735	1,671
Credit Line borrowings	1,130	1,124
Short-term bank borrowings	814	778
Total current liabilities	6,209	7,775
Deferred tax liabilities	155	75
Long-term bank borrowings	1,627	1,862
Total liabilities	7,991	9,712
SHAREHOLDERS' EQUITY		
Common stock	1	1
Additional paid-in capital	54,721	53,841
Accumulated other comprehensive income	694	601
Accumulated deficit	(28,039)	(23,563)
Total shareholders' equity	27,377	30,880
Total liabilities and shareholders' equity	\$ 35,368	\$ 40,592

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

ENERGY FOCUS, INC.
CONDENSED
CONSOLIDATED STATEMENTS OF OPERATIONS
(amounts in thousands except per share amounts)
(unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2007	2006	2007	2006
Net sales	\$ 6,704	\$ 7,709	\$ 11,713	\$ 13,037
Cost of sales	4,424	5,381	7,963	9,106
Gross profit	2,280	2,328	3,750	3,931
Operating expenses:				
Research and development	675	436	1,158	891
Sales and marketing	2,328	2,609	4,948	4,853
General and administrative	1,067	1,537	2,145	2,615
Restructure expense	89	195	89	636
Total operating expenses	4,159	4,777	8,340	