

LIGHTPATH TECHNOLOGIES INC
Form 10-Q
November 05, 2015

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2015

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 000-27548

LIGHTPATH TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

DELAWARE **86-0708398**
(State or other jurisdiction of (I.R.S. Employer

incorporation or organization) Identification No.)
<http://www.lightpath.com>

2603 Challenger Tech Ct. Suite 100

Orlando, Florida 32826

(Address of principal executive offices)

(ZIP Code)

(407) 382-4003

(Registrant's telephone number, including area code)

N/A

(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 and 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 has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (section 232.405 of this chapter) during the preceding 12 months (or 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 the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

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Large accelerated filer Accelerated filer Non-accelerated filer 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

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

15,239,775 shares of common stock, Class A, \$.01 par value, outstanding as of November 2, 2015.

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LIGHTPATH TECHNOLOGIES, INC.

Consolidated Balance Sheets

	(unaudited)	
	September 30, 2015	June 30, 2015
Assets		
Current assets:		
Cash and cash equivalents	\$2,350,025	\$1,643,920
Trade accounts receivable, net of allowance of \$4,526 and \$6,282	2,894,902	3,048,754
Inventories, net	3,284,892	3,181,377
Other receivables	155,331	253,880
Prepaid expenses and other assets	211,734	244,075
Total current assets	8,896,884	8,372,006
Property and equipment, net	4,292,340	4,275,552
Other assets	66,964	66,964
Total assets	\$13,256,188	\$12,714,522
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$1,312,175	\$1,551,885
Accrued liabilities	86,175	84,039
Accrued payroll and benefits	1,099,172	842,506
Loan payable, current portion	—	51,585
Capital lease obligation, current portion	166,454	166,454
Total current liabilities	2,663,976	2,696,469
Capital lease obligation, less current portion	280,796	310,260
Deferred rent	547,730	512,679
Warrant liability	827,356	1,195,470
Total liabilities	4,319,858	4,714,878
Stockholders' equity:		
Preferred stock: Series D, \$.01 par value, voting; 5,000,000 shares authorized; none issued and outstanding	—	—
Common stock: Class A, \$.01 par value, voting; 40,000,000 shares authorized; 15,239,775 and 15,235,073 shares issued and outstanding, respectively	152,398	152,351
Additional paid-in capital	213,304,541	213,222,950
Accumulated other comprehensive income	62,755	50,680
Accumulated deficit	(204,583,364)	(205,426,337)
Total stockholders' equity	8,936,330	7,999,644
Total liabilities and stockholders' equity	\$13,256,188	\$12,714,522

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

LIGHTPATH TECHNOLOGIES, INC.

Consolidated Statements of Comprehensive Income (Loss)

Unaudited

	Three months ended September 30,	
	2015	2014
Product sales, net	\$4,190,330	\$2,603,309
Cost of sales	1,938,762	1,625,675
Gross margin	2,251,568	977,634
Operating expenses:		
Selling, general and administrative	1,440,648	1,144,235
New product development	148,346	343,712
Loss on disposal of property and equipment	—	218
Total costs and expenses	1,588,994	1,488,165
Operating income (loss)	662,574	(510,531)
Other income (expense):		
Interest expense	(12,871)	(3,369)
Interest expense - debt costs	—	(12,645)
Change in fair value of warrant liability	368,114	(53,958)
Other expense, net	(174,844)	1,453
Total other income (expense), net	180,399	(68,519)
Net income (loss)	\$842,973	\$(579,050)
Income (loss) per common share (basic)	\$0.06	\$(0.04)
Number of shares used in per share calculation (basic) (basic)	15,239,366	14,312,061
Income (loss) per common share (diluted)	\$0.06	\$(0.04)
Number of shares used in per share calculation (diluted)	16,542,934	14,312,061
Foreign currency translation adjustment	12,075	(468)
Comprehensive income (loss)	\$855,048	\$(579,518)

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

LIGHTPATH TECHNOLOGIES, INC.

Consolidated Statement of Stockholders' Equity

Three months ended September 30, 2015

Unaudited

Class A Foreign