

ACORN ENERGY, INC.
Form 10-Q
November 10, 2010

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

FORM 10-Q

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

For the quarterly period ended September 30, 2010

Commission file number: 0-19771

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

Delaware
(State or other jurisdiction of
incorporation or organization)

22-2786081
(I.R.S. Employer
Identification No.)

4 West Rockland Road
Montchanin, Delaware
(Address of principal executive offices)

19710
(Zip Code)

(302) 656-1708
(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 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 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 the 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 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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Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at November 5, 2010
Common Stock, \$0.01 par value per share	16,116,005 shares

ACORN ENERGY, INC.
 Quarterly Report on Form 10-Q
 for the Quarterly Period Ended September 30, 2010

TABLE OF CONTENTS

PART I. Financial Information		
Item 1.	Financial Statements	
	Unaudited Condensed Consolidated Financial Statements:	
	Condensed Consolidated Balance Sheets as of December 31, 2009 and September 30, 2010	1
	Condensed Consolidated Statements of Operations for the three and nine month periods ended September 30, 2009 and 2010	2
	Condensed Consolidated Statement of Changes in Equity for the nine month period ended September 30, 2010	3
	Condensed Consolidated Statements of Cash Flows for the nine month periods ended September 30, 2009 and 2010	4
	Notes to Condensed Consolidated Financial Statements	6
Item 2.	Management’s Discussion and Analysis of Financial Condition and Results of Operations	23
Item 4.	Controls and Procedures	35
PART II. Other Information		
Item 1.	Legal Proceedings	36
Item 6.	Exhibits	37
	Signatures	38

Certain statements contained in this report are forward-looking in nature. These statements are generally identified by the inclusion of phrases such as “we expect”, “we anticipate”, “we believe”, “we estimate” and other phrases of similar meaning. Whether such statements ultimately prove to be accurate depends upon a variety of factors that may affect our business and operations. Many of these factors are described in our most recent Annual Report on Form 10-K as filed with Securities and Exchange Commission.

ACORN ENERGY, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)
(unaudited)

ASSETS	As of December 31, 2009	As of September 30, 2010
Current assets:		
Cash and cash equivalents	\$ 11,208	\$ 4,966
Restricted deposits	1,627	1,579
Accounts receivable, net	3,541	7,262
Unbilled revenue and work-in-process	4,113	5,901
Inventory	1,848	4,305
Other current assets	2,317	3,236
Total current assets	24,654	27,249
Property and equipment, net	3,357	11,495
Other investments and loans to equity investees	2,796	2,937
Funds in respect of employee termination benefits	2,074	2,330
Restricted deposits	611	713
Intangible assets, net	8,194	13,891
Goodwill	6,679	14,363
Deferred taxes	227	269
Other assets	143	669
Total assets	\$ 48,735	\$ 73,916
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term bank credit and current maturities of long-term bank debt	\$ 430	\$ 1,648
Accounts payable	1,607	3,972
Accrued payroll, payroll taxes and social benefits	1,409	2,104
Advances from customers	1,924	3,625
Other current liabilities	3,064	6,562
Total current liabilities	8,434	17,911
Liability for employee termination benefits	3,129	3,539
Long-term debt	405	319
Other long-term liabilities	669	310
Total long-term liabilities	4,203	4,168
Stockholders' Equity:		
Acorn Energy, Inc. stockholders		
Common stock - \$0.01 par value per share:		
Authorized – 30,000,000 shares; Issued –13,248,813 and 16,917,925 shares at December 31, 2009 and September 30, 2010, respectively	132	169
Additional paid-in capital	58,373	78,270
Warrants	290	274
Accumulated deficit	(23,343)	(33,747)
Treasury stock, at cost –1,275,081 and 801,920 shares at December 31, 2009 and September 30, 2010, respectively	(4,827)	(3,036)
Accumulated other comprehensive income	152	492

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Total Acorn Energy, Inc. stockholders' equity	30,777	42,422
Non-controlling interests	5,321	9,415
Total stockholders' equity	36,098	51,837
Total liabilities and stockholders' equity		