

LAPIS TECHNOLOGIES INC
Form 10QSB
November 13, 2007

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

Form 10-QSB

(Mark One)

- QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
- FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2007
- TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE
EXCHANGE ACT
- FOR THE TRANSITION PERIOD FROM _____ TO _____
- COMMISSION FILE NUMBER _____

LAPIS TECHNOLOGIES, INC.

(Name of small business issuer in its charter)

Delaware

(State or other jurisdiction of incorporation or
organization)

27-0016420

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

19 W. 34th Street, Suite 1008, New York, NY 10001

(Address of principal executive offices)

Issuer's telephone Number: **(212) 937-3580**

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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

APPLICABLE ONLY TO CORPORATE ISSUERS

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: As of November 9, 2007, the issuer had 6,483,000 outstanding shares of Common Stock.

Transitional Small Business Disclosure Format (check one): Yes No

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PART I - FINANCIAL INFORMATION**Item 1. Financial Statements.**

LAPIS TECHNOLOGIES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(In Thousands, Except Share Amounts)

ASSETSSeptember 30,
2007

Current Assets:

Cash and cash equivalents	\$	86
Accounts receivable		4,285
Inventories		4,141
Prepaid expenses and other current assets		371
Total current assets		8,883
Property and equipment, net		277
Deferred income taxes		23
	\$	9,183

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities:

Bank line of credit	\$	1,294
Short term bank loans		2,935
Current portion of term loans		192
Accounts payable and accrued expenses		2,617
Due to stockholder		180
Due to affiliates		96
Income taxes payable		-
Total current liabilities		7,314
Term loans, net of current portion		285
Severance payable		88
Total liabilities		7,687
Commitments and contingencies		
Minority interest		434
Stockholders' Equity:		
Preferred stock; \$.001 par value, 5,000,000 shares authorized, none issued		-

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Common stock; \$.001 par value, 100,000,000 shares
authorized, 6,483,000

shares issued and outstanding 6

Additional paid-in capital 78

Accumulated other comprehensive loss (140)

Retained Earnings 1,118

Total stockholders' equity 1,062

\$ 9,183

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

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LAPIS TECHNOLOGIES, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF INCOME
(In Thousands, Except Earnings Per Share and Share Amounts)

	Nine Months Ended September 30,		Three Months Ended September 30,	
	2007	2006	2007	2006
Sales	\$ 6,372	\$ 5,028	\$ 2,238	1,401
Cost of sales	4,639	3,596	1,447	1,162
Gross profit	1,733	1,432	791	239
Operating expenses:				
Research and development expenses	221	232	22	118
Selling expenses	151	73	24	8
General and administrative	948	905	305	342
Total operating expenses	1,320	1,210	351	468
Income from operations	413	222	440	(229)
Other income (expense):				
Other income	-	6	-	(3)