

INVISION TECHNOLOGIES INC  
Form 10-Q  
November 10, 2003

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934**  
For the quarterly period ended September 28, 2003

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: 0-28236

**INVISION TECHNOLOGIES, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of incorporation or organization)

**94-3123544**

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

**7151 Gateway Boulevard, Newark, CA 94560**

(Address of principal executive offices, including zip code)

**(510) 739-2400**

(Registrant's telephone number, including area code)

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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 an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

On October 31, 2003, there were 16,918,645 shares of the registrant's common stock outstanding.

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**InVision Technologies, Inc.**

**Form 10-Q**

**INDEX**

**PART I. FINANCIAL INFORMATION**

**Item**

1.            Financial Statements
  - a.            Condensed Consolidated Balance Sheets (Unaudited) - September 28, 2003 and December 31, 2002
  - b.            Condensed Consolidated Statements of Operations (Unaudited) - Three and nine months ended September 28, 2003 and September 29, 2002
  - c.            Condensed Consolidated Statements of Cash Flows (Unaudited) - Nine months ended September 28, 2003 and September 29, 2002
  - d.            Notes to Condensed Consolidated Financial Statements (Unaudited)
2.            Management's Discussion and Analysis of Financial Condition and Results of Operations
3.            Quantitative and Qualitative Disclosures about Market Risk
4.            Controls and Procedures

**PART II. OTHER INFORMATION**

**Item**

1.            Legal Proceedings
2.            Changes in Securities
5.            Other Information
6.            Exhibits and Reports on Form 8-K

**Signature Page**

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**PART I. FINANCIAL INFORMATION**

**Item 1. Financial Statements**

## InVision Technologies, Inc.

## Condensed Consolidated Balance Sheets

(In thousands, except share data)

(Unaudited)

	September 28, 2003	December 31, 2002
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 282,383	\$ 159,736
Short-term investments		
Accounts receivable, net	65,894	146,295
Inventories	76,383	64,764
Deferred income taxes	18,677	20,889
Other current assets	9,223	15,811
Total current assets	452,560	407,495
Property and equipment, net	11,678	7,225
Deferred income taxes		1,050
Goodwill	21,036	681
Intangible assets, net	14,805	922
Other assets	6,159	414
Total assets	\$ 506,238	\$ 417,787
<b>Liabilities and stockholders' equity</b>		
Current liabilities:		
Accounts payable	\$ 17,383	\$ 28,477
Accrued liabilities	49,191	65,364
Deferred revenue	23,523	86,284
Short-term debt	7,365	184
Current maturities of long-term obligations	261	112
Total current liabilities	97,723	180,421
Long-term obligations	126,621	653
Deferred income taxes	1,221	
Total liabilities	225,565	181,074
Commitments and contingencies (see Note 8)		
Stockholders' equity:		
Preferred stock, \$0.001 par value, 5,000,000 shares authorized; no shares issued and outstanding		
Common stock, \$0.001 par value, 60,000,000 shares authorized; 17,594,000 and 17,243,000 shares issued; 16,907,000 and 17,008,000 shares outstanding	17	17
Additional paid-in capital	171,257	166,243
Deferred stock compensation expense	(305)	(406)
Accumulated other comprehensive loss	(1,099)	(1,783)
Retained earnings	125,494	74,836
Treasury stock, at cost (687,000 and 235,000 shares)	(14,691)	(2,194)
Total stockholders' equity	280,673	236,713
Total liabilities and stockholders' equity	\$ 506,238	\$ 417,787

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

**InVision Technologies, Inc.**

**Condensed Consolidated Statements of Operations**

(In thousands, except per share data)

(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 28, 2003	September 29, 2002	September 28, 2003	September 29, 2002
<b>Revenues:</b>				
Product revenues	\$ 69,281	\$ 111,159	\$ 297,090	\$ 199,255
Service revenues	13,745	3,567	34,167	10,456
Contract research and development revenues	3,092	2,334	9,456	8,973
<b>Total revenues</b>	<b>86,118</b>	<b>117,060</b>	<b>340,713</b>	<b>218,684</b>
<b>Cost of revenues:</b>				
Product costs	42,285	62,860	171,411	112,784
Service costs	8,330	2,598	20,497	7,906
Contract research and development revenues	1,806	1,559	5,875	6,091
<b>Total cost of revenues</b>	<b>52,421</b>	<b>67,017</b>	<b>197,783</b>	<b>126,781</b>