

INNODATA INC
Form 10-Q
November 12, 2013

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, 2013

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: **0-22196**

INNODATA INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

13-3475943

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

**Three University Plaza
Hackensack, New Jersey**

(Address of principal executive offices)

07601

(Zip Code)

(201) 371-8000

(Registrant's telephone number, including area code)

[None]

(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 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 (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

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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.

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 ☒

The number of outstanding shares of the registrant’s common stock, \$.01 par value, as of October 31, 2013 was 25,049,889.

INNODATA INC. AND SUBSIDIARIES
For the Quarter Ended September 30, 2013

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INNODATA INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(in thousands, except share data)

	September 30, 2013	December 31, 2012
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 25,104	\$ 25,425
Short term investments other	1,115	3,091
Accounts receivable, net	10,805	14,317
Prepaid expenses and other current assets	2,117	2,561
Deferred income taxes	168	1,104
Total current assets	39,309	46,498
Property and equipment, net	6,331	10,656
Other assets	3,210	3,504
Deferred income taxes	780	4,848
Goodwill	675	675
Total assets	\$ 50,305	\$ 66,181
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 1,074	\$ 1,618
Accrued expenses	3,867	2,482
Accrued salaries, wages and related benefits	5,117	6,584
Income and other taxes	1,384	2,155
Current portion of long term obligations	317	818
Deferred income taxes	-	57
Total current liabilities	11,759	13,714
Deferred income taxes	190	182
Long term obligations	3,794	3,374
Commitments and contingencies		
Non-controlling interests	(3,315)	(1,598)
STOCKHOLDERS' EQUITY:		
Serial preferred stock; 5,000,000 shares authorized, none outstanding	-	-
Common stock, \$.01 par value; 75,000,000 shares authorized; 26,597,000 shares issued and 25,050,000 outstanding at September 30, 2013 and 26,439,000 shares issued and 24,892,000 outstanding at December 31, 2012	266	264
Additional paid-in capital	22,753	22,140
Retained earnings	20,860	32,356
Accumulated other comprehensive income (loss)	(1,714)	37
	42,165	