UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2006

¨ **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 001-13795

AMERICAN VANGUARD CORPORATION

Delaware	**95-2588080**
(State or other jurisdiction of	**(I.R.S. Employer**
Incorporation or organization)	**Identification Number)**
4695 MacArthur Court, Newport Beach, California	**92660**
(Address of principal executive offices)	**(Zip Code)**

(949) 260-1200

(Registrant s telephone number, including area code)

(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 x No ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer ¨ Accelerated Filer x Non-Accelerated Filer ¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ¨ No x

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

Common Stock, $.10 Par Value 26,104,413 shares as of November 6, 2006.

Table of Contents

AMERICAN VANGUARD CORPORATION

INDEX

Table of Contents

PART I. FINANCIAL INFORMATION

Item 1. ***FINANCIAL STATEMENTS***

AMERICAN VANGUARD CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands except per share amounts)

(Unaudited)

	For the three months ended September 30		For the nine months ended September 30	
	2006	2005	2006	2005
Net sales	$ 51,244	$ 49,754	$ 138,709	$ 128,309
Cost of sales	28,917	27,596	80,417	72,810
Gross profit	22,327	22,158	58,292	55,499
Operating expenses	14,735	13,263	39,773	36,433
Operating income	7,592	8,895	18,519	19,066
Interest expense	717	439	2,347	1,158
Interest income	(6)	(1)	(29)	(12)
Interest capitalized	(200)	(108)	(530)	(252)
Income before income taxes	7,081	8,565	16,731	18,172
Income tax expense	2,832	3,297	6,692	7,021
Net income	$ 4,249	$ 5,268	$ 10,039	$ 11,151
Earnings per common share basic	$ .16	$ .22	$ .39	$ .46
Earnings per common share assuming dilution	$ .16	$ .20	$ .37	$ .43
Weighted average shares outstanding basic (notes 5 & 6)	26,081	24,372	25,871	24,331
Weighted average shares outstanding assuming dilution (notes 5 & 6)	27,258	25,749	27,237	25,731

See notes to consolidated financial statements.

Table of Contents

AMERICAN VANGUARD CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(In thousands)

ASSETS (note 7)

	September 30, 2006 (Unaudited)	Dec. 31, 2005 (Note)
Current assets:		
Cash	$ 1,802	$ 1,342
Receivables:		
Trade	61,596	58,955
Other	1,308	1,314
	62,904	60,269
Inventories (note 3)	60,550	44,359
Prepaid expenses	1,461	848
Total current assets	126,717	106,818
Property, plant and equipment, net (note 2)	36,592	34,339
Land held for development	211	211
Intangible assets	40,015	41,222
Other assets	775	637
	$ 204,310	$ 183,227

(Continued)

See notes to consolidated financial statements.

Table of Contents

AMERICAN VANGUARD CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(In thousands)

LIABILITIES AND STOCKHOLDERS EQUITY

	September 30, 2006 (Unaudited)	Dec. 31, 2005 (Note)
Current liabilities:		
Current installments of long-term debt	$ 4,106	$ 8,107
Accounts payable	15,344	28,392
Accrued program costs	28,497	18,954
Accrued expenses and other payables	6,533	6,067
Accrued royalty obligations	1,033	1,801
Income taxes payable	1,432	1,829
Total current liabilities	56,945	65,150
Long-term debt, excluding current installments	31,288	34,367
Deferred income taxes	1,262	1,262
Total liabilities	89,495	100,779
Stockholders Equity:		
Preferred stock, $.10 par value per share; authorized 400,000 shares; none issued		
Common stock, $.10 par value per share; authorized 40,000,000 shares; issued 28,331,209 shares at September 30, 2006 and 26,614,607 shares at December 31, 2005	2,833	2,661
Additional paid-in capital	34,176	9,900
Accumulated other comprehensive income	(154)	(198)
Retained earnings	80,705	72,830
	117,560	85,193
Less treasury stock at cost 2,226,796 shares at September 30, 2006 and December 31, 2005	(2,745)	(2,745)
Total stockholders equity	114,815	82,448
	$ 204,310	$ 183,227

Note: The balance sheet at December 31, 2005 has been derived from the audited financial statements at that date.

See notes to consolidated financial statements.

3

Table of Contents

AMERICAN VANGUARD CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS

EQUITY AND COMPREHENSIVE INCOME

September 30, 2006

(In thousands, except share and per share data)

(Unaudited)

	Common Stock		Additional Paid-in	Retained	Accumulated Other Comprehensive	Treasury Stock		
	Shares	Amount	Capital	Earnings	Income	Shares	Amount	Total
Balance, January 1, 2006	26,614,607	$ 2,661	$ 9,900	$ 72,830	$ (198)	2,226,796	$ (2,745)	$ 82,448
Stocks issued under ESPP	36,029	4	590					594
Cash dividends on common stock ($0.0825 per share)				(2,164)				(2,164)
Foreign currency translation adjustment, net					44			44
Private equity offering	1,386,666	138	22,395					22,533
Tax benefits from stock options plans			167					167
Stock options exercised and grants of restricted stock units	293,907	30	1,124					1,154
Net income				10,039				10,039
Balance, September 30, 2006	28,331,209	$ 2,833	$ 34,176	$ 80,705	$ (154)	2,226,796	$ (2,745)	$ 114,815

Comprehensive income:	
Net income	$ 10,039
Foreign currency translation adjustment, net	44
Comprehensive income	$ 10,083

See notes to consolidated financial statements.

Table of Contents

AMERICAN VANGUARD CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

For The Nine Months Ended September 30, 2006 and 2005

(Unaudited)

Increase (decrease) in cash	**2006**	**2005**
Cash flows from operating activities:		
Net income	$ 10,039	$ 11,151
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization	4,791	5,199
Stock-based compensation expense related to stock options and employee stock purchases	419	
Changes in assets and liabilities associated with operations:		
Increase in receivables	(2,635)	(12,717)
Increase in inventories	(16,191)	(2,187)
Decrease (increase) in prepaid expenses and other assets	(756)	764
Increase (decrease) in accounts payable	(13,096)	4,919
Increase in other current liabilities	7,523	10,332
Net cash (used in) provided by operating activities	(9,906)	17,461
Cash flows from investing activities:		
Capital expenditures	(5,719)	(8,865)
Additions to intangible assets	(118)	(644)
Net decrease in other non-current assets	5	80
Net cash used in investing activities	$ (5,832)	$ (9,429)
Cash flows from financing activities:		
Net borrowings (repayments) under line of credit agreement	$ 16,000	$ (2,000)
Principal payments on long-term debt	(23,080)	(3,080)
Proceeds from the issuance of common stock (private equity placement, exercise of stock options and sale of stock under ESPP)	24,448	111
Payment of cash dividends	(1,381)	(1,002)
Tax benefits from stock-based compensation	167	
Net cash provided by (used in) financing activities	16,154	(5,971)
Net increase in cash	416	2,061
Cash at beginning of year	1,342	457
Effect of exchange rate changes on cash	44	14
Cash as of September 30	$ 1,802	$ 2,532

Supplemental schedule of non-cash investing and financial activities:

On September 14, 2006, the Company announced that the Board of Directors declared a cash dividend of $0.03 per share. The dividend was distributed on October 13, 2006, to stockholders of record at the close of business on September 29, 2006. Cash dividends paid October 13, 2006 totaled approximately $783,000.

On March 23, 2006, the Company announced that the Board of Directors declared a 4 for 3 stock split and a cash dividend of $0.07 per share ($0.0525 as adjusted for the 4 for 3 stock split). Both dividends were distributed on April 17, 2006 to stockholders of record at the close of business on April 3, 2006. The cash dividend was paid on the number of shares outstanding prior to the 4 for 3 stock split. Stockholders entitled to fractional shares resulting from the stock split received cash in lieu of such fractional share based on the closing price of the Company s stock on April 3, 2006.

See notes to consolidated financial statements.

Table of Contents

AMERICAN VANGUARD CORPORATION AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(Columnar Numbers in thousands except for Note 10 and share data)

(Unaudited)

1. The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation, have been included. Operating results for the three and nine months ended September 30, 2006 are not necessarily indicative of the results that may be expected for the year ending December 31, 2006. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company s Annual Report on Form 10-K for the year ended December 31, 2005.

2. Property, plant and equipment at September 30, 2006 and December 31, 2005 consists of the following:

	September 30, 2006	December 31, 2005
Land	$ 2,441	$ 2,441
Buildings and improvements	5,645	5,202
Machinery and equipment	52,296	47,814
Office furniture, fixtures and equipment	4,781	3,685
Automotive equipment	209	209
Construction in progress	13,437	13,739
	78,809	73,090
Less accumulated depreciation	42,217	38,751
	$ 36,592	$ 34,339

3. Inventories are stated at the lower of cost or market. Cost is determined using the first-in, first-out method. The components of inventories consist of the following:

	September 30, 2006	December 31, 2005
Finished products	$ 53,452	$ 40,166
Raw materials	7,098	4,193
	$ 60,550	$ 44,359

4. Based on similar economic and operational characteristics, the Company s business is aggregated into one reportable segment. Selective enterprise information is as follows:

Three Months Ended

	September 30		Nine Months Ended September 30	
	2006	**2005**	**2006**	**2005**
Net sales:				
Crop	$ 40,822	$ 38,558	$ 113,062	$ 103,558
Non-crop	10,422	11,196	25,647	24,751
	$ 51,244	$ 49,754	$ 138,709	$ 128,309

AMERICAN VANGUARD CORPORATION AND SUBSIDIARIES

Notes to Consolidated Financial Statements, Continued

5. On September 14, 2006, the Company announced that the Board of Directors declared a cash dividend of $0.03 per share. The dividend was distributed on October 13, 2006, to stockholders of record at the close of business on September 29, 2006. Cash dividends paid October 13, 2006, totaled approximately $783,000.

On March 23, 2006, the Company announced that the Board of Directors declared a 4 for 3 stock split and a cash dividend of $0.07 per share ($0.0525 as adjusted for the 4 for 3 stock split). Both dividends were distributed on April 17, 2006 to stockholders of record at the close of business on April 3, 2006. The cash dividend was paid on the number of shares outstanding prior to the 4 for 3 stock split. Stockholders entitled to fractional shares resulting from the stock split received cash in lieu of such fractional share based on the closing price of the Company s stock on April 3, 2006. Accordingly, all share, weighted average share, and per share amounts have been restated to reflect the stock split.

6. Statement of Financial Accounting Standards (SFAS) No. 128, Earnings Per Share (EPS) requires dual presentation of basic EPS and diluted EPS on the face of all income statements. Basic EPS is computed as net income divided by the weighted average number of shares of common stock outstanding during the period. Diluted EPS reflects potential dilution that could occur if securities or other contracts, which, for the Company, consists of options to purchase shares of the Company s common stock are exercised.

The components of basic and diluted earnings per share were as follows:

	Three Months Ended September 30		Nine Months Ended September 30	
	2006	2005	2006	2005
Numerator:				
Net income	$ 4,249	$ 5,268	$ 10,039	$ 11,151
Denominator:				
Weighted averages shares outstanding	26,081	24,372	25,871	24,331
Assumed exercise of stock options	1,177	1,377	1,366	1,400
	27,258	25,749	27,237	25,731

7. In October 2004, the Company entered into an Amended and Restated Credit Agreement with a syndicate of commercial lenders led by the Company s primary bank as the administrative agent and a lender, two other banks as lenders and a fourth as a participant, for an $80 million fully-secured credit facility. This credit facility replaced the Company s previous credit facility with its primary bank and one other bank entered into in May 2002 and amended in March 2004. The credit facility originally consisted of a $45 million revolving line of credit and a $35 million term loan. In November 2005, the $35 million term loan was increased to $40 million. In April 2006, the Amended and Restated Credit Agreement was amended to increase the $45 million senior secured revolving line of credit to $65 million. The Company had $44 million in availability under its revolving line of credit as of September 30, 2006.

In connection with the acquisition of the global Phorate insecticide product line from BASF in November 2005, the Company initially borrowed $20 million under its senior secured revolving line of credit which was converted to a term loan to finance the acquisition (Delayed Term Loan). The Company paid off the Delayed Term Loan from the net proceeds received from the Private Equity Offering concluded in February 2006 (refer to Note 11).

The revolving line of credit and term loan bear interest at the prime rate (Referenced Loans), or at the Company s option, a fixed rate of interest offered by the Bank (such as adjusted LIBOR rate plus certain

7

AMERICAN VANGUARD CORPORATION AND SUBSIDIARIES

Notes to Consolidated Financial Statements, Continued

margins, in each case dependent on certain debt ratios (Fixed Loans). The principal payments of the term loan are payable in equal quarterly installments of $1 million on or before the last business day of each February, May, August and November, commencing November 30, 2004 and in one final installment in the amount necessary to repay the remaining outstanding principal balance of the term loan in full on the maturity date. Interest accruing on the Referenced Loans are payable quarterly, in arrears, on the last day of each March, June, September and December and on the maturity date of such loan in the amount of interest then accrued and unpaid. Interest accruing on the Fixed Loans are payable on the last day of the interest period, provided that, with an interest period longer than three months, interest is payable on the last day of each three-month period after the commencement of such interest period. The senior secured revolving line of credit and term loan both mature on October 7, 2009 (five years from the closing date) and contain certain covenants (with which the Company is in compliance) as defined in the agreement.

Substantially all of the Company s assets not otherwise specifically pledged as collateral on existing loans and capital leases, are pledged as collateral under the Company s credit agreement with a bank. As referenced in note 1, for further information, refer to the consolidated financial statements and footnotes thereto (specifically note 2) included in the Company s Annual Report on Form 10-K for the year ended December 31, 2005.

8. Reclassification Certain items may have been reclassified (if appropriate), in the prior period consolidated financial statements to conform with the September 30, 2006 presentation.

9. Total comprehensive income includes, in addition to net income, changes in equity that are excluded from the consolidated statements of operations and are recorded directly into a separate section of stockholders equity on the consolidated balance sheets.

Comprehensive income and its components consist of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2006	2005	2006	2005
Net income	$ 4,249	$ 5,268	$ 10,039	$ 11,151
Foreign currency translation adjustment	53	2	44	14
Comprehensive income	$ 4,302	$ 5,270	$ 10,083	$ 11,165

10. Stock Based Compensation Expense On January 1, 2006, the Company adopted Statement of Financial Accounting Standards No. 123 (revised 2004), Share-Based Payment, (SFAS 123(R)) which requires the measurement and recognition of compensation expense for all share-based payment awards made to employees and directors including employee stock options and employee stock purchases related to the Employee Stock Purchase Plan (employee stock purchases) based on estimated fair values. SFAS 123(R) supersedes the Company s previous accounting under Accounting Principles Board Opinion No. 25, Accounting for Stock Issued to Employees (APB 25) for periods beginning in fiscal 2006. In March 2005, the Securities and Exchange Commission issued Staff Accounting Bulletin No. 107 (SAB 107) relating to SFAS 123(R). The Company has applied the provisions of SAB 107 in its adoption of SFAS 123(R).

The Company adopted SFAS 123(R) using the modified prospective transition method, which requires the application of the accounting standard as of January 1, 2006, the first day of the Company s fiscal year 2006. The Company s Consolidated Financial Statements as of and for the three and nine months ended September 30, 2006 reflect the impact of SFAS 123(R). In accordance with the modified prospective transition method, the Company s Consolidated Financial Statements for prior periods have not been restated to reflect, and do not

Table of Contents

AMERICAN VANGUARD CORPORATION AND SUBSIDIARIES

Notes to Consolidated Financial Statements, Continued

include, the impact of SFAS 123(R). Stock-based compensation expense recognized under SFAS 123(R) for the three and nine months ended September 30, 2006 was $160,000 and $484,000, respectively. Stock based compensation expensed recognized consisted of the following:

	Three months Ended September 30, 2006	Nine Months Ended September 30, 2006
Expense related to employee stock options	$ 140,000	$ 420,000
Expense related to employee stock purchases	20,000	64,000
Total SFAS 123(R) expense	$ 160,000	$ 484,000

Basic and diluted earnings per share for the three months September 30, 2006 would have been $.17 and $.16, respectively, if the Company had not adopted SFAS 123(R), compared to reported basic and diluted earnings per share of $.16 and $.16, respectively. Basic and diluted earnings per share for the nine months September 30, 2006 would have been $.40 and $.38, respectively, if the Company had not adopted SFAS 123(R), compared to reported basic and diluted earnings per share of $.39 and $.37, respectively.

SFAS 123(R) requires companies to estimate the fair value of share-based payment awards on the date of grant using an option-pricing model. The value of the portion of the award that is ultimately expected to vest is recognized as expense over the requisite service periods in the Company s Consolidated Statement of Operations. Prior to the adoption of SFAS 123(R), the Company accounted for stock-based awards to employees and directors using the intrinsic value method in accordance with APB 25 as allowed under Statement of Financial Accounting Standards No. 123, Accounting for Stock-Based Compensation (SFAS 123). Under the intrinsic value method, no stock-based compensation expense had been recognized in the Company s Consolidated Statement of Operations, other than as related to acquisitions and investments, because the exercise price of the Company s stock options granted to employees and directors equaled the fair market value of the underlying stock at the date of grant.

Stock-based compensation expense recognized during the period is based on the value of the portion of share-based payment awards that is ultimately expected to vest during the period. Stock-based compensation expense recognized in the Company s Consolidated Statement of Operations for the three and nine months ended September 30, 2006 included compensation expense for share-based payment awards granted prior to, but not yet vested as of December 31, 2005 based on the grant date fair value estimated in accordance with the pro forma provisions of SFAS 123 and compensation expense for the share-based payment awards granted subsequent to December 31, 2005 based on the grant date fair value estimated in accordance with the provisions of SFAS 123(R). In conjunction with the adoption of SFAS 123(R), the Company changed its method of attributing the value of stock-based compensation to expense from the accelerated multiple-option approach to the straight-line single option method. Compensation expense for all share-based payment awards granted on or prior to December 31, 2005 will continue to be recognized using the accelerated multiple-option approach while compensation expense for all share-based payment awards granted subsequent to December 31, 2005 is recognized using the straight-line single-option method. Stock-based compensation expense recognized in the Consolidated Statement of Operations for periods subsequent to December 31, 2005 has not been reduced for forfeitures as estimated forfeitures are anticipated to be immaterial. Instead forfeitures are being recognized as they occur. SFAS 123(R) requires forfeitures to be estimated, if material, at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. In the Company s pro forma information required under SFAS 123 for the periods prior to fiscal 2006, the Company accounted for forfeitures as they occurred.

Upon adoption of SFAS 123(R), the Company continued its method of valuation for share-based awards granted beginning in fiscal 2006 from the Black-Scholes option-pricing model (Black-Scholes model) which was previously used for the Company s pro forma information required under SFAS 123.

Table of Contents

AMERICAN VANGUARD CORPORATION AND SUBSIDIARIES

Notes to Consolidated Financial Statements, Continued

There were no options granted during the three and nine months ended September 30, 2006.

The expected volatility and expected life assumptions are highly complex and subjective variables. The variables take into consideration, among other things, actual and projected employee stock option exercise behavior. The Company estimates expected term using the safe harbor provisions of SAB 107. The Company used historical volatility as a proxy for estimating expected volatility.

On November 10, 2005, the Financial Accounting Standards Board (FASB) issued FASB Staff Position No. FAS 123(R)-3 Transition Election Related to Accounting for Tax Effects of Share-Based Payment Awards. The Company has elected to adopt the alternative transition method provided in the FASB Staff Position for calculating the tax effects of stock-based compensation pursuant to SFAS 123(R). The alternative transition method includes simplified methods to establish the beginning balance of the additional paid-in capital pool (APIC pool) related to the tax effects of employee stock-based compensation, and to determine the subsequent impact on the APIC pool and Consolidated Statements of Cash Flows of the tax effects of employee stock-based compensation awards that are outstanding upon adoption of SFAS 123(R).

As of September 30, 2006, the Company had approximately $485,000 of unamortized stock-based compensation expenses, which will be recognized over the weighted-average period of 1.6 years. This projected expense will change if any stock options are granted or cancelled prior to the respective reporting periods or if there are any changes required to be made for estimated forfeitures.

Option activity within each plan is as follows:

	Incentive Stock Option Plans	Non-Statutory Stock Option Plans	Weighted Average Price per Share	Exercisable Weighted Average Price per Share
Balance outstanding, December 31, 2002	1,623,581	74,213	1.43	1.32
Options granted	1,130,000	69,371	5.10	
Options exercised	(540,960)	(16,131)	(1.56)	
Balance outstanding, December 31, 2003	2,212,621	127,453	3.49	2.39
Options granted	41,333	58,080	13.69	
Options exercised	(339,861)	(16,133)	(1.18)	
Options cancelled/forfeited/expired	(27,360)		(1.16)	
Balance outstanding, December 31, 2004	1,886,733	169,400	$ 4.35	$ 3.26
Options granted	276,933		14.75	
Options exercised	(61,333)	(8,805)	(1.84)	
Options cancelled/forfeited/expired	(16,000)	(875)	(1.76)	
Balance outstanding, December 31, 2005	2,086,333	159,720	5.71	$ 6.06

Options granted				
Options exercised	(245,462)	(29,040)	3.39	
Options cancelled/forfeited/expired				
Balance outstanding, September 30, 2006	1,840,871	130,680	$ 6.07	$ 5.80

10

Table of Contents

AMERICAN VANGUARD CORPORATION AND SUBSIDIARIES

Notes to Consolidated Financial Statements, Continued

Information relating to stock options at September 30, 2006 summarized by exercise prices is as follows:

	Outstanding			Exercisable	
Exercise price per share	Shares	Weighted Average Remaining Life (Months)	Exercise Price	Weighted Average Shares	Exercise Price
Incentive Stock Option Plans:					
$1.76	415,068	23	$ 1.76	415,068	$ 1.76
$3.19	18,667	34	$ 3.19	18,667	$ 3.19
$3.52 - $8.10	1,098,000	50	$ 5.11	817,800	$ 4.36
$11.30 - $12.94	41,334	57	$ 12.62	25,334	$ 12.59
$14.74 - $14.99	267,802	72	$ 14.74	267,802	$ 14.74
	1,840,871		$ 5.90	1,544,671	$ 5.59
Non-statutory Stock Option Plans:					
$3.03	29,040	9	$ 3.03	29,040	$ 3.03
$4.68	29,040	22	$ 4.68	29,040	$ 4.68
$7.05	24,200	23	$ 7.05	24,200	$ 7.05
$14.45	48,400	32	$ 14.45	48,400	$ 14.45
	130,680		$ 8.37	130,680	$ 8.37

The weighted average exercise prices for options granted and exercisable and the weighted average remaining contractual life for options outstanding as of December 31, 2005 and September 30, 2006 was as follows:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Months)	Intrinsic Value
As of December 31, 2005:				
Incentive Stock Option Plans:				
Outstanding	2,086,333	$ 5.56	54	$ 37,809,000
Expected to Vest	2,086,333	$ 5.56	54	$ 37,809,000
Exercisable	1,508,770	$ 5.62	55	$ 26,892,000
Non-statutory Stock Option Plans:				
Outstanding	159,720	$ 8.11	31	$ 2,449,000
Expected to Vest	159,720	$ 8.11	31	$ 2,449,000
Exercisable	159,720	$ 8.11	31	$ 2,449,000

As of September 30, 2006:				
Incentive Stock Option Plans:				
Outstanding	1,840,871	$ 5.90	47	$ 15,105,000
Expected to Vest	1,840,871	$ 5.90	47	$ 15,105,000
Exercisable	1,544,671	$ 5.59	47	$ 13,197,000
Non-statutory Stock Option Plans:				
Options Outstanding	130,680	$ 8.37		