

Edgar Filing: MATERIAL TECHNOLOGIES INC /CA/ - Form 10-Q/A

MATERIAL TECHNOLOGIES INC /CA/  
Form 10-Q/A  
January 30, 2003

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q/A

(Mark One)

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

FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2002

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT  
For the transition period from to

33-23617

(Commission file number)

MATERIAL TECHNOLOGIES, INC.

(Exact name of small business issuer as specified in its charter)

DELAWARE

(State or other jurisdiction  
of incorporation or organization)

95-4622822

(IRS Employer  
Identification No.)

11661 SAN VICENTE BOULEVARD

SUITE 707

LOS ANGELES, CALIFORNIA 90049

(Address of principal executive offices)

(310) 208-5589

(Issuer's telephone number)

(Former name, former address and former fiscal year, if changed since last  
report)

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.

APPLICABLE ONLY TO CORPORATE ISSUERS

# Edgar Filing: MATERIAL TECHNOLOGIES INC /CA/ - Form 10-Q/A

The number of shares outstanding of each of the issuer's classes of common equity; as of September 30, 2002:

Class A Common Stock - 76,194,623 shares outstanding, 102,000,000 shares held in reserve

Class B Common Stock - 100,000 shares outstanding

Class A Preferred - 487,471 shares outstanding

## MATERIAL TECHNOLOGIES, INC.

### PART I. FINANCIAL INFORMATION

#### ITEM 1. FINANCIAL STATEMENTS

#### INDEX

	Page Number
Item 1. Financial Statements	
Independent Accountant's Review Report	3
Balance Sheets	4
Statements of Operations	6
Third Quarter Ended September 30, 2001 and 2002 and from the Company's inception (October 21, 1983) through September 30, 2002	
Statement of Cash Flows	7
Third Quarter Ended September 30, 2001 and 2002 and from the Company's inception (October 21, 1983) through September 30, 2002	
Notes to Financial Statements	9
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	10
Part II. OTHER INFORMATION	
Item 1. Legal Proceedings	12
Item 2. Change in Securities and Use of Proceeds	12
Item 3. Defaults Upon Senior Securities	12
Item 4. Submission of Matters to a Vote of Security Holders	12
Item 5. Other Information	12
Item 6. Exhibits and Reports on Form 8-K	12
SIGNATURES	13

#### INDEPENDENT ACCOUNT'S REVIEW REPORT

To the Board of Directors  
Material Technologies, Inc.

We have reviewed the accompanying balance sheet of Material Technologies, Inc(a development stage company) as of September 30, 2002, and the related statements of operations and cash flows for the three-month and nine-month periods ended September 30, 2001 and 2002 and from the Company's inception (October 21, 1983)

## Edgar Filing: MATERIAL TECHNOLOGIES INC /CA/ - Form 10-Q/A

through September 30, 2002. These financial statements are the responsibility of the Company's management.

We conducted our reviews in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to the financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the financial statements referred to above for them to be in conformity with generally accepted accounting principles.

s/ Jonathon P. Reuben CPA  
Jonathon P. Reuben,  
Certified Public Accountant  
October 31, 2002

3

MATERIAL TECHNOLOGIES, INC.  
(A DEVELOPMENT STAGE COMPANY)

### BALANCE SHEETS

	DECEMBER 31, 2001	SEPTEMBER 30, 2002
		(UNAUDITED)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 174,469	\$ 243,438
Receivable due on research contract	285,677	8,362
Receivable from officer	35,880	-
Prepaid expenses	-	-
TOTAL CURRENT ASSETS	496,026	251,800
FIXED ASSETS		
Property and equipment, net of accumulated depreciation	2,708	28,816
OTHER ASSETS		
Intangible assets, net of accumulated amortization	15,663	13,395
Refundable deposit	2,348	2,348
TOTAL OTHER ASSETS	18,011	15,743
TOTAL ASSETS	\$ 516,745	\$ 296,359

## Edgar Filing: MATERIAL TECHNOLOGIES INC /CA/ - Form 10-Q/A

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

4

MATERIAL TECHNOLOGIES, INC.  
(A DEVELOPMENT STAGE COMPANY)

### BALANCE SHEETS

	DECEMBER 31, 2001	SEPTEMBER 30, 2002 (UNAUDITED)
LIABILITIES AND STOCKHOLDERS' (DEFICIT)		
CURRENT LIABILITIES		
Legal fees payable	\$ 282,950	\$ 1,758,
Fees payable to R&D subcontractor	196,043	
Consulting fees payable	5,525	
Accounting fees payable	42,417	28,
Other accounts payable	8,801	9,
Accrued expenses	43,213	40,
Accrued officer wages	70,000	36,
Notes payable - current portion	25,688	25,
Payable on research and development sponsorship	422,653	479,
Loans payable - others	57,406	59,
TOTAL CURRENT LIABILITIES	1,154,696	2,437,
STOCKHOLDERS' EQUITY (DEFICIT)		
Class A Common stock, \$.001 par value, authorized 200,000,000 shares; 102,433,378 shares issued, 42,433,378 shares outstanding, and 60,000,000 shares held in reserve at December 31, 2001, and 178,194,623 shares issued, 76,194,623 shares outstanding, and 102,000,000 shares held in reserve at September 30, 2002	42,433	76,
Class B Common Stock, \$.001 par value, authorized 100,000 shares, outstanding 100,000 shares at December 31, 2001 and September 30, 2002	100	
Class A Preferred, \$.001 par value, authorized 50,000,000 outstanding 337,471 shares at December 31, 2001, and 487,471 shares at September 30, 2002	337	
Additional paid-in capital	6,995,412	8,364,
Less notes receivable - common stock	(731,549)	(764,
Deficit accumulated during development stage	(6,944,684)	(9,817,
TOTAL STOCKHOLDERS' (DEFICIT)	(637,951)	(2,141,
TOTAL LIABILITIES AND STOCKHOLDERS' (DEFICIT)	\$ 516,745	\$ 296,

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

5

Edgar Filing: MATERIAL TECHNOLOGIES INC /CA/ - Form 10-Q/A

MATERIAL TECHNOLOGIES, INC.  
(A DEVELOPMENT STAGE COMPANY)

STATEMENTS OF OPERATIONS

	FOR THE THREE MONTHS ENDED		FOR THE NINE MONTHS ENDED		FROM (OC 19 SE 20 (U
	SEPTEMBER 30, 2001 (UNAUDITED)	2002 (UNAUDITED)	SEPTEMBER 30, 2001 (UNAUDITED)	2002 (UNAUDITED)	
REVENUES					
Sale of fatigue fuses	\$ -	\$ -	\$ -	\$ -	\$
Sale of royalty interests	-	-	-	-	
Research and development revenue	427,004	-	1,038,060	461,323	
Test services	-	-	-	-	
TOTAL REVENUES	427,004	0	1,038,060	461,323	
COSTS AND EXPENSES					
Research and development	356,706	123,932	828,326	508,195	
General and administrative	258,597	2,190,699	2,402,032	2,799,781	1
TOTAL COSTS AND EXPENSES	615,303	2,314,631	3,230,358	3,307,976	1
INCOME (LOSS) FROM OPERATIONS	(188,299)	(2,314,631)	(2,192,298)	(2,846,653)	(
OTHER INCOME (EXPENSE)					
Expense reimbursed	-	-	-	-	
Interest income	11,487	11,947	89,933	36,057	
Interest expense	(17,617)	(21,095)	(52,851)	(61,807)	
Gain on sale of stock	-	-	-	-	
Loss on abandonment of joint venture	-	-	-	-	
Miscellaneous income	-	-	-	-	
Loss on sale of equipment	-	-	-	-	
Gain on foreclosure	-	-	-	-	
Modification of royalty agreement	-	-	-	-	
Settlement of teaming agreement	-	-	-	-	
Litigation settlement	-	-	-	-	
Utilization of Operating Loss	-	-	-	-	
Carryforward	-	-	-	-	
TOTAL OTHER INCOME	(6,130)	(9,148)	37,082	(25,750)	
NET INCOME (LOSS) BEFORE					
EXTRAORDINARY					
ITEMS AND PROVISION FOR INCOME					
TAXES	(194,429)	(2,323,779)	(2,155,216)	(2,872,403)	(
PROVISION FOR INCOME TAXES	-	(800)	(800)	(800)	
NET INCOME (LOSS) BEFORE					
EXTRAORDINARY ITEMS	(194,429)	(2,324,579)	(2,156,016)	(2,873,203)	(
EXTRAORDINARY ITEMS					
Forgiveness of debt	-	-	-	-	
NET (LOSS)	\$ (194,429)	\$ (2,324,579)	\$ (2,156,016)	\$ (2,873,203)	\$ (
PER SHARE DATA					
Income (Loss) Before					
Extraordinary Item	\$ (0.05)	\$ (0.06)	\$ (0.07)	\$ (0.05)	
Extraordinary Items	-	-	-	-	
NET INCOME (LOSS)	\$ (0.05)	\$ (0.06)	\$ (0.07)	\$ (0.05)	
WEIGHTED AVERAGE					

## Edgar Filing: MATERIAL TECHNOLOGIES INC /CA/ - Form 10-Q/A

COMMON SHARES OUTSTANDING 39,032,997 31,272,062 54,377,617

The accompanying notes are an integral part of the financial statements

6

MATERIAL TECHNOLOGIES, INC.  
(A DEVELOPMENT STAGE COMPANY)

### STATEMENTS OF CASH FLOWS

	FOR THE THREE MONTHS ENDED SEPTEMBER 30,		FOR THE NINE MONTHS EN SEPTEMBER 30	
	2001	2002	2001	2002
	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net income (loss)	\$ (194,429)	\$ (2,324,579)	\$ (2,156,016)	\$ (2,873,000)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities				
Depreciation and amortization	738	3,650	2,211	5,000
Accrued interest income	(11,488)	(10,960)	(89,932)	(32,000)
Gain on sale of stocks	-			
Gain on foreclosure	-			
Charge off of deferred offering costs	-			
Charge off of long-lived assets due to impairment	-			
Loss on sale of equipment	-			
Modification of royalty agreement	-			
Issuance of common stock for services	120,250	419,850	596,500	761,000
Issuance of stock for agreement modification	-			
Forgiveness of indebtedness	-			
(Increase) decrease in accounts receivable	81,108	57,244	(152,251)	277,000
Charge off of investment in joint venture	-		-	
Officers' and directors' compensation on stock subscriptions modification			1,500,000	
(Increase) decrease in prepaid expenses	-	(109,166)	-	
Increase (decrease) in accounts payable and accrued expenses	(85,145)	1,445,505	184,928	1,283,000
Interest accrued on notes payable	811	649	2,434	
Increase in research and development sponsorship payable	16,118	19,020	-	57,000
(Increase) in note for litigation settlement			48,354	
(Increase) in deposits			-	
<b>TOTAL ADJUSTMENTS</b>	<b>122,392</b>	<b>2,044,124</b>	<b>2,092,244</b>	<b>2,353,000</b>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>(72,037)</b>	<b>(280,455)</b>	<b>(63,772)</b>	<b>(519,000)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Proceeds from sale of equipment	-	-	-	-

Edgar Filing: MATERIAL TECHNOLOGIES INC /CA/ - Form 10-Q/A

Purchase of property and equipment	(5,600)	-	(5,600)	(29,
Proceeds from sale of stocks	-	-	-	
Purchase of stocks	-	-	-	
Investment in joint ventures	-	-	-	
Proceeds from foreclosure	-	-	-	
Payment for license agreement	-	-	-	
NET CASH PROVIDED (USED) BY				
INVESTING ACTIVITIES	(5,600)	-	(5,600)	(29,

The accompanying notes are an integral part of the financial statements

7

MATERIAL TECHNOLOGIES, INC.  
(A DEVELOPMENT STAGE COMPANY)

STATEMENTS OF CASH FLOWS

	FOR THE THREE MONTHS ENDED SEPTEMBER 30,		FOR THE SIX MONTHS ENDED SEPTEMBER 30,		FR (OCT SE 20 (U
	2001 (UNAUDITED)	2002 (UNAUDITED)	2001 (UNAUDITED)	2002 (UNAUDITED)	
CASH FLOWS FROM FINANCING ACTIVITIES					
Issuance of common stock	\$ 230,309	\$ 166,850	\$ 230,309	\$ 797,430	\$
Costs incurred in Offering	(47,281)	(29,035)	(47,281)	(149,231)	
Sale of common stock warrants	-	-	-	-	-
Sale of preferred stocks	-	-	-	-	-
Sale of redeemable preferred stock	-	-	-	-	-
Capital contributions	-	-	-	-	-
Payment on proposed reorganization	-	-	-	-	-
Loans from officers	500	-	14,800	-	-
Repayments to officer	(10,000)	-	(28,800)	(29,700)	
Increase (decrease) in loans - other	-	-	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES	173,528	137,815	169,028	618,499	
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	95,891	(142,640)	99,656	68,969	
BEGINNING BALANCE CASH AND CASH EQUIVALENTS	5,719	386,078	1,954	174,469	
ENDING BALANCE CASH AND CASH EQUIVALENTS	\$ 101,610	\$ 243,438	\$ 101,610	\$ 243,438	\$

## Edgar Filing: MATERIAL TECHNOLOGIES INC /CA/ - Form 10-Q/A

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

8

MATERIAL TECHNOLOGIES, INC.  
(A DEVELOPMENT STAGE COMPANY)  
NOTES TO FINANCIAL STATEMENTS

Note 1.

In the opinion of the Company's management, the accompanying unaudited financial statements contain all adjustments (consisting of normal recurring accruals) necessary to present fairly the financial position of the Company as of September 30, 2001 and 2002 and the results of operations and cash flows for the three-month and nine-month periods then ended. The operating results of the Company on a quarterly basis may not be indicative of operating results for the full year.

Note 2.

In July 2002, the Company settled its pending lawsuit with Stephen Beck. Under the terms of the settlement, Mr. Beck received 1,000,000 shares of the Company common stock. The shares issued are non-dilutive for a period of eighteen months. Pursuant to the terms of the settlement, the Company placed 2,000,000 shares of its common stock in escrow from which shares will be withdrawn and issued to him in order that his interest in the Company will remain constant during the eighteen-month period. Upon expiration of the eighteen month, the remaining shares held in escrow will be returned to the Company's treasury.

In addition, pursuant to the agreement that the Company had with the attorneys who represented it in this matter, a contingent fee of \$1,481,895 became due them upon settlement of the case. This fee, however, is payable out of the Company's earnings derived before interest, taxes, depreciation and amortization (EBIDA), limited each year to 25% of EBIDA. Unpaid amounts owed towards the fee accrue interest at a rate of 6% per annum until paid in full.

Note 3.

In the third quarter of 2002, the Company issued 50,000 shares of preferred stock for \$47,500. These preferred shares are convertible into 100,000 shares of the Company's common stock.

9

MATERIAL TECHNOLOGIES, INC.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2001 AND 2002

The Company had no sales during the nine-month period ended September 30, 2002 or during the nine month period ended September 30, 2001.

The Company generated \$461,323 under its research and development contracts



## Edgar Filing: MATERIAL TECHNOLOGIES INC /CA/ - Form 10-Q/A

during the first three-quarters of 2002, as compared to \$1,038,060 that was generated during the same period in 2001.

Interest earned during the first three quarters in 2002 totaled \$36,057, which mostly consisted of accrued interest earned on promissory notes due from the Company's President and a director on stock purchased during the second quarter of 2000. Interest earned in 2001 amounted to \$89,933.

During the nine month period ended September 30, 2002, the Company incurred \$508,195 in development costs of which \$440,201 relates to subcontract costs. The Company earned the full amount of its grant from the U.S. Air Force in the prior quarter, but continued its product development during the third quarter. During the same nine-month period in the prior year, the Company incurred \$828,326 in development costs of which \$744,659 related to subcontract costs.

General and administrative costs were \$2,799,781 and \$2,402,032, respectively, for the nine-month periods ended September 30, 2002 and 2001.

The major costs incurred during 2002, included officer's salary of \$90,000 of which \$33,000 was accrued, office salaries of \$29,597, professional fees of \$1,916,125, consulting fees of \$582,798, travel of \$38,290, telephone expense of \$18,919, rent of \$21,132, and office expense of \$25,343.

Of the \$1,916,125 in professional fees, \$1,481,895 is accrued and due to two attorneys in the settlement of the Beck matter. The Company's obligation to pay this fee is contingent upon the Company's earnings (See Note 2 to the financial statements). Also included are legal fees of \$367,110 that were paid through the issuance of 9,872,100 shares of the Company's common stock.

Of the \$582,798 incurred in consulting fees, \$363,147 was paid through the issuance of 7,998,918 shares of the Company's common stock. Also included in consulting fees were the 1,000,000 shares of the Company's common stock that were issued in full settlement to Stephen Beck. The 1,000,000 shares were valued at \$30,000.

The major expenses incurred during the nine-month period ended September 30, 2001, consisted of \$1,500,000 relating to the modification of the amount owed to the Company by its President and a Director on non-recourse stock subscriptions, \$420,000 of prior years' compensation due its President that was paid in stock in 2001, \$147,569 in consulting fees, \$90,000 in officer's salary, \$97,695 in professional fees, \$16,454 in rent, \$11,706 in telephone expense, that were paid through the issuance of 7,805,000 shares of the Company's common stock.

Of the \$351,858 incurred in consulting fees, \$155,700 was paid through the issuance of 5,190,000 shares of the Company's common stock. Also included in consulting fees were the 1,000,000 shares of the Company's common stock that was issued in full settlement to Stephen Beck. The 1,000,000 shares were valued at \$30,000.

The major expenses incurred in 2001, consisted of officer's salaries of \$30,000, office salaries of \$10,617, consulting fees of \$113,066, professional services of \$46,486, rent of \$6,833, office expense of \$13,129, telephone expense of \$6,875, and travel expense of \$16,674.

Interest expense for the three-months ended September 30, 2002 totaled \$21,095 as compared to \$17,617 incurred during the first nine-months of 2001.

### LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents as of September 30, 2002 and 2001 were \$243,438, and \$101,610, respectively. During 2002, the Company received \$738,638 through its research contracts, \$797,430 through the issuance of Company's common stock,

## Edgar Filing: MATERIAL TECHNOLOGIES INC /CA/ - Form 10-Q/A

\$1,555 from interest earned on savings. Of the \$1,537,623 received, \$1,258,560 was used in operations, \$29,608 was used in the purchase of equipment, \$149,231 was used to pay offering expenses, and \$29,700 was repaid to its President. The Company's revenues from research and development contracts ended during the third quarter. In order to meet operational expenses with the loss of contract revenue, the Company is seeking additional financing through the sales of its equity securities, pending the receipt of any additional contract revenue in the future.

During 2001, the Company received \$885,808 through its research contracts, \$14,800 through advances from its President, and \$230,309 through the issuance of Company's common stock. Of the \$1,130,917 received, \$949,580 was used in operations, \$5,600 was used in the development of the Company's website, \$47,281 was used in the selling of the stock and \$28,800 was advanced to its President.

11

MATERIAL TECHNOLOGIES, INC.

### PART II. OTHER INFORMATION

#### ITEM 1. LEGAL PROCEEDINGS

During the nine month period ended September 30, 2002, we settled the lawsuits involving Stephen Beck by agreement dated July 15, 2002. Pursuant to our settlement agreement, we issued to Mr. Beck 1,000,000 shares of our restricted common stock with anti-dilution protection for 18 months after the date of the agreement. The anti-dilution provision requires us to issue additional shares of common stock, options or warrants to Mr. Beck in order to maintain his relative ownership of our outstanding common stock, during the 18 month period after the date of the agreement. As of the date of this prospectus, we have issued 1,000,000 shares of our restricted common stock to Mr. Beck, with a market value of approximately \$45,000 as of the date of settlement. We valued these shares of restricted stock at \$30,000. Pursuant to the settlement, we have also issued into escrow 2,000,000 shares of restricted common stock to cover the anti-dilution provisions of the settlement. In addition to the settlement with Mr. Beck, we agreed to compensate our attorneys handling that case by issuing them 1,000,000 shares of our restricted common stock and up to \$1,500,000 in cash fees payable only by the delivery to our counsel of 25% of our earnings before interest, depreciation, taxes and administrative expenses. When we issued these shares to our attorneys, the shares had a market value of approximately \$45,000, but we discounted the value of these shares due to their restrictions on resale or transfer.

None

#### ITEM 2. CHANGE IN SECURITIES AND USE OF PROCEEDS

During the third quarter of 2002, the Company issued a total of 21,766,640 shares of its common stock, of which 4,394,560 were sold through a Regulation S offering from which the Company received a total of \$166,850. 12,995,000 shares were issued to consultants, professionals and others for services rendered, valued at a total of \$419,850. 750,000 shares of common stock were returned to treasury from the grant issued to the Company's President, which were subsequently cancelled. Also during the quarter, 1,542,080 additional shares were issued in connection with the Regulation S offering and 1,000,000 shares were issued to Mr. Stephen Beck as settlement. In addition, 2,000,000 shares of the Company's common stock were placed in escrow pursuant to the terms of the settlement with Mr. Beck.

On June 27, 2002, we issued 50,000 shares of our class A preferred stock, par value \$.001 per share, to our legal counsel, Gregory Bartko, in exchange for his

## Edgar Filing: MATERIAL TECHNOLOGIES INC /CA/ - Form 10-Q/A

investment of \$47,000. On August 12 and 29, 2002, we issued 25,000 shares each for a total of 50,000 additional shares of our class A preferred stock to Mr. Bartko, in exchange for his investment of \$50,000. The shares received by Mr. Bartko are convertible at his election into 200,000 shares of our class A common stock, par value \$.001 per share. Mr. Bartko is an accredited investor as defined in Rule 501 of Regulation D promulgated under the Securities Act of 1933, had a pre-existing relationship with us as our legal counsel, and had access to all information needed for him to make an informed investment decision. The offers and sale of our class A preferred stock to Mr. Bartko was exempt from registration under Rule 506 of Regulation D and Section 4(1) of the Securities Act of 1933.

- ITEM 3.       DEFAULTS UPON SENIOR SECURITIES  
None
- ITEM 4.       SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS  
Not applicable
- ITEM 5.       OTHER INFORMATION  
None
- ITEM 6.       EXHIBITS AND REPORTS ON FORM 8-K

### EXHIBITS

Number   Description

- 99.1   Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302(a) of the Sarbanes-Oxley Act of 2002.

### REPORTS ON FORM 8-K

No filings were made during the period covered by this report.

12

MATERIAL TECHNOLOGIES, INC.

### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MATERIAL TECHNOLOGIES, INC.

By: /s/ Robert M. Bernstein  
Robert M. Bernstein, President and Chief Financial Officer

Date: January 30, 2003

13

