UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 1999

[ ] 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 - 21810

AMERIGON INCORPORATED
(Exact name of registrant as specified in its charter)

California	95-4318554
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

5462 Irwindale Avenue, Irwindale, California	91706
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (626) 815-7400

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 __

At October 26, 1999 the registrant had 1,910,089 shares of Class A Common Stock, no par value; and 9,000 shares of Convertible Preferred Stock, no par value, issued and outstanding.

AMERIGON INCORPORATED

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PART 1

ITEM 1.
FINANCIAL STATEMENTS

AMERIGON INCORPORATED
(A DEVELOPMENT STAGE ENTERPRISE)

BALANCE SHEET
(IN THOUSANDS)
(UNAUDITED)

ASSETS	December 31, 1998	September 30, 1999
Current Assets:		
Cash & cash equivalents	$ 1,667	$ 2,253
Short-term investments	--	1,854
Accounts receivable less allowance of $101 and $42, respectively	174	202
Inventory	105	488
Prepaid expenses and other assets	136	186
Total current assets	2,082	4,983
Property and equipment, net	562	1,120
Total Assets	$ 2,644	$ 6,103
LIABILITIES AND SHAREHOLDERS' EQUITY Current Liabilities:		
Accounts payable	$ 363	$ 781
Deferred revenue	44	--
Accrued liabilities	485	366
Total current liabilities	892	1,147
Long term portion of capital lease	26	12
Shareholders' Equity:		
Convertible Preferred Stock;		
Series A - no par value; 9,000 shares authorized, none and 9,000 issued and outstanding at December 31, 1998 and September 30, 1999	--	8,267
Common stock;		
Class A - no par value; 20,000 shares authorized, 1,910 issued and outstanding at December 31, 1998 and September 30, 1999	28,149	28,149
Contributed capital	9,882	10,031
Deficit accumulated during development stage	(36,305)	(41,503)
Total shareholders' equity	1,726	4,944
Total Liabilities and Shareholders' Equity	$ 2,644	$ 6,103

See accompanying notes to the condensed financial statements

AMERIGON INCORPORATED
(A DEVELOPMENT STAGE ENTERPRISE)

STATEMENT OF OPERATIONS
(IN THOUSANDS, EXCEPT PER SHARE DATA)
(UNAUDITED)

	THREE MONTHS ENDED SEPTEMBER 30, 1998	THREE MONTHS ENDED SEPTEMBER 30, 1999	NINE MONTHS ENDED SEPTEMBER 30, 1998	NINE MONTHS ENDED SEPTEMBER 30, 1999	FROM APRIL 23, 1991 (INCEPTION) TO SEPTEMBER 30, 1999
Revenues:					
Product	$11	$20	$18	$47	$65
Development contracts and related grants	273	82	585	467	4,988
Grants	-	-	-	-	2,572
Total revenues	284	102	603	514	7,625
Costs and expenses:					
Product	13	178	48	221	269
Direct development contract and related grant costs	361	409	953	1,295	17,164
Direct grant costs	-	-	-	-	1,980
Research and development	650	670	1,753	1,677	3,874
Selling, general and administrative, Including reimbursable expense	885	924	2,842	2,524	21,189
Total costs and expenses	1,909	2,181	5,596	5,717	44,476
Operating Loss	(1,625)	(2,079)	(4,993)	(5,203)	(36,851)
Interest income	47	84	221	101	1,400
Interest expense	-	-	-	(76)	(377)
Gain on disposal of assets	(29)	-	20	-	2,363
Net loss from continuing operations and before extraordinary item	($1,607)	($1,995)	($4,752)	($5,178)	($33,465)
Loss from discontinued operations	(108)	-	(495)	(19)	(7,698)
Net loss before extraordinary item	(1,715)	(1,995)	(5,247)	(5,197)	(41,163)
Extraordinary loss from extinguishment of indebtedness	-	-	-	-	(340)
Net loss	($1,715)	($1,995)	($5,247)	($5,197)	($41,503)
Net loss available to common shareholders	($1,715)	($1,995)	($5,247)	($5,264)	
Basic and diluted net loss per share:					
Loss from continuing operations	($0.84)	($1.04)	($2.49)	($2.75)	
Discontinued operations	($0.06)	$0.00	($0.26)	($0.01)	
Available to common shareholders	($0.90)	($1.04)	($2.75)	($2.76)	
Weighted average number of shares outstanding	1,910	1,910	1,910	1,910	

See accompanying notes to the condensed financial statements

AMERIGON INCORPORATED
(A DEVELOPMENT STAGE ENTERPRISE)

STATEMENT OF CASH FLOWS
(IN THOUSANDS)
(UNAUDITED)

	Nine Months Ending September 30, 1998	Nine Months Ending September 30, 1999	From April 23, 1991 (inception) to September 30, 1999
Operating Activities:			
Net Loss	($ 5,247)	($ 5,197)	($41,503)
Adjustments to reconcile net loss to cash used in operating activities:			
Loss from discontinued operations	495	19	7,698
Depreciation and amortization	397	287	1,943
Provision for doubtful accounts	--	(59)	152
Stock option compensation	--	--	712
Gain from sale of assets	(33)	--	(2,363)
Contributed capital-founders' services without cash compensation	--	--	300
Change in operating assets and liabilities:			
Accounts receivable	93	31	(354)
Inventory	(86)	(383)	(508)
Prepaid expenses and other assets	86	(50)	(186)
Accounts payable	(408)	418	434
Deferred revenue	(54)	(44)	--
Accrued liabilities	(20)	(119)	431
Net cash (used in) operating activities of continuing operations	(4,777)	(5,097)	(33,244)
Investing Activities:			
Purchase of property and equipment	(447)	(784)	(2,979)
Proceeds from sale of assets	--	--	2,800
Receivable from sale of assets	1,000	--	(1,000)
Proceeds from receivable from sale of assets	--	--	971
Short term investments purchased	--	(1,854)	(1,854)
Short term investments sold	2,400	--	--
Net cash (used in) provided by investment activities of continuing operations	2,953	(2,638)	(2,062)
Financing Activities:			
Proceeds sales of preferred stock units, net	--	8,267	8,267
Proceeds sale of common stock units, net	--	--	34,772
Proceeds from exercise of stock options	--	--	160
Repurchase of common stock	--	--	(15)
Borrowing under line of credit	--	--	6,280
Repayment of line of credit	--	--	(6,280)
Repayment of capital lease	(8)	(15)	(117)
Proceeds from Bridge Financing	--	1,200	4,200
Repayment of Bridge Financing	--	(1,200)	(4,200)
Proceeds of notes payable to shareholder	--	--	450
Repayment of notes payable to shareholder	--	--	(450)
Contributed to capital	--	88	2,190
Net cash (used in) provided by financing activities of continuing operations	(8)	8,340	45,257
Cash used in discontinued operations	(495)	(19)	(7,698)
Net (decrease) increase in cash and cash equivalents	(2,327)	586	2,253
Cash and cash equivalents at beginning of period	6,037	1,667	--
Cash and cash equivalents at end of period	$ 3,710	$ 2,253	$ 2,253

See accompanying notes to the condensed financial statements

AMERIGON INCORPORATED
(A DEVELOPMENT STAGE ENTERPRISE)
NOTES TO UNAUDITED FINANCIAL STATEMENTS

NOTE 1 - THE COMPANY:

Amerigon Incorporated (the "Company") is in the business of developing and manufacturing vehicle components for automotive original equipment manufacturers ("OEMs"). The Company was incorporated in California on April 23, 1991 as a research and development entity focused on creating electric vehicles ("EV"). During 1998, the Company decided to suspend funding activities associated with EV and directed its resources to developing and commercializing the Climate Control Seat ("CCS-TM-") and Radar for Maneuvering and Safety ("AmeriGard-TM-"), which are both products of the Company's research. On May 26, 1999, the shareholders of the Company voted to discontinue EV operations. As a result, the Company is now principally positioned to bring to market the CCS and AmeriGard product lines and accordingly has incurred significant sales and marketing, prototype and engineering expenses to gain orders for production vehicles.

NOTE 2 - BASIS OF PRESENTATION AND SUMMARY OF CERTAIN ACCOUNTING POLICIES:

The accompanying financial statements as of September 30, 1999 have been prepared by the Company without audit. In the opinion of management, all adjustments (consisting only of normal recurring adjustments) necessary for fair presentation have been included. The results of operations for the three and nine month periods ended September 30, 1999 are not necessarily indicative of the operating results for the full year.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. These condensed financial statements should be read in conjunction with the financial statements and notes thereto included in the Company's Form 10-K for the year ended December 31, 1998.

Certain amounts have been reclassified from the prior year Form 10-Q to conform with current period presentation.

On January 28, 1999, the Company effected a 1 for 5 reverse stock split. Share information for all periods has been retroactively adjusted to reflect the split.

NOTE 3 - EV SUBSIDIARY

On March 23, 1999, the Company's Board of Directors agreed to form a subsidiary to hold the Company's EV operations. Pursuant to discussions held among the Company's Board of Directors and Dr. Bell, Vice Chairman of the Board and a significant shareholder of the Company, the Company agreed to sell to Dr. Bell a 15% interest in the EV subsidiary for $88,000. On March 29, 1999, the 15% was sold to Dr. Bell and was reflected as contributed capital.

On May 26, 1999, the shareholders voted to sell the remaining interest, 85%, of the EV subsidiary to Dr. Bell in exchange for all of his Class B Common Stock (see Note 6). The financial statements of the Company have been reclassified to reflect the dispositions of the EV operations as

NOTE 3 - EV SUBSIDIARY (CONT.)

a discontinued operation. Accordingly, the revenues, costs and expenses, and cash flows of the EV operations have been excluded from the respective captions in the Statements of Operations and Statements of Cash Flows. The results of the EV operations have been reported separately as discontinued operations in such statements. The EV related assets were nil at December 31, 1998 and September 30,1999 and sales were nil for the three and nine months ended September 30, 1999 and 1998.

NOTE 4 - GOING CONCERN

The Company has suffered recurring losses and negative cash flows from operations since inception and has a significant accumulated deficit. Consequently, in order to fund continuing operations and complete product development, the Company will need to raise additional financing. In this regard, the Company completed the sale of 9,000 shares of Series A Convertible Preferred Stock on June 8, 1999 with an investor group (Note 5). Management believes that the proceeds from the equity financing, together with existing cash balances will be sufficient to meet its cash needs of the Company through the end of 1999.

To fund its operations, the Company will need to raise additional cash from financing sources before the Company can achieve profitability from its operations. The Company's ability to raise additional financing or achieve profitability cannot be assured. As such, there is substantial doubt about the Company's ability to continue as a going concern.

NOTE 5 -CONVERTIBLE PREFERRED STOCK

On March 29, 1999, the Company entered into a Securities Purchase Agreement (the "Financing") with an investor group. Under the terms of the Financing, on June 8, 1999, the Company issued 9,000 shares of Series A Convertible Preferred Stock and warrants to purchase up to 1,214,814 shares of Class A Common Stock in exchange for $9,001,000. The Series A Convertible Preferred Stock will initially be convertible into 5,373,134 shares of Class A Common Stock. The warrants can only be exercised to the extent that certain other warrants to purchase Class A Common Stock are exercised by existing warrant holders and then only in the proportion of the Company's equity purchased and at the same exercise price as the exercising warrant holders.

In connection with the above Financing, the Company granted to financial advisors warrants to purchase 45,000 shares of Class A Common Stock at exercise prices ranging from $2.67 to $5.30. The warrants are exercisable at various dates ranging from March to June 2004.

Also in conjunction with the above Financing, the Company recorded a dividend to the Series A Convertible Preferred Stockholders of $67,000 or $0.04 per weighted average common shares outstanding resulting from the beneficial difference between the conversion price and the fair market value of Class A Common Stock on the date of commitment, May 26, 1999.

CONVERSION

Each issued share of Series A Convertible Preferred Stock is immediately convertible, in full and not in part, into shares of Class A Common Stock equal to $1,000 divided by the Conversion Price. The Conversion Price is $1.675, subject to proportional adjustments for certain dilutive

NOTE 5 -CONVERTIBLE PREFERRED STOCK (CONT.)

issuance, splits and combinations and other recapitalizations or reorganizations. A total of 5,373,134 shares of Class A Common Stock has been reserved for issuance in the event of the conversion of Series A Convertible Preferred Stock.

VOTING RIGHTS

The holder of each share of Series A Convertible Preferred Stock will have the right to one vote for each share of Class A Common Stock into which such Series A Convertible Preferred Stock could then be converted.

DIVIDENDS

The Series A Convertible Preferred Stock will receive dividends on an "as-converted" basis with the Class A Common Stock when and if declared by the Board of Directors. The dividends are noncumulative and are payable in preference to any dividends on common stock.

LIQUIDATION PREFERENCE

Upon liquidation, dissolution or winding up of Amerigon, each share of Series A Convertible Preferred Stock is entitled to a liquidation preference of $1,000 plus 7% of the original issue price ($1,000) annually for up to four years after issuance plus any declared but unpaid dividends in priority to any distribution to the Class A Common Stock, which will receive the remaining assets of Amerigon. On September 30, 1999, the liquidation preference was $9,000,000.

REDEMPTION

On or after January 1, 2003, if the closing price of the Class A Common Stock for the past 60 days has been at least four times the then Conversion Price ($1.675 per share at September 30, 1999), Amerigon may redeem the Series A Convertible Preferred Stock for an amount equal to the liquidation preference.

NOTE 6 - NET LOSS PER SHARE

The Company's net loss per share calculations are based upon the weighted average number of shares of common stock outstanding. Because their effects are anti-dilutive, net loss per share for the periods ended September 30, 1998 and 1999 do not include the effect of:

	Three and Nine Months Ended September 30, 1998	1999
Stock options outstanding for:		
1993 Stock Option Plan	92,976	77,147
1997 Stock Option Plan (as amended)	114,334	777,934
Options granted by Lon Bell to directors and officers	118,422	17,058
Warrants to purchase outstanding shares of Class A Common Stock	1,471,751	2,731,565
Series A Preferred Stock	--	5,373,134
Total	1,797,483	8,976,838

NOTE 7 - SEGMENT REPORTING

The following tables present segment information about the reported revenues and operating loss of Amerigon for the three and nine months ended September 30, 1998 and 1999 (in thousands). Asset information by reportable segment is not reported since management does not produce such information.

For The Three Months Ended September 30,	Climate Control Seats	Radar	Reconciling Items	As Reported
1998				
Revenue	$94	$190	$ -	$284
Operating Profit (Loss)	(771)	31	1 (885)	(1,625)
1999				
Revenue	102	-	-	102
Operating Profit (Loss)	(924)	(231)	1 (924)	(2,079)

(1) Represents selling, general and administrative costs of $803,000 and $867,000, respectively, and depreciation expense of $82,000 and $57,000, respectively, for the three months ended September 30, 1998 and 1999.

NOTE 7 - SEGMENT REPORTING (CONT.)

For The Nine Months Ended September 30,	Climate Control Seats	Radar	Reconciling Items	As Reported
1998				
Revenue	$333	$270	$ -	$603
Operating Profit (Loss)	(1,865)	(286)	1 (2,842)	(4,993)
1999				
Revenue	415	99	-	514
Operating Profit (Loss)	(2,138)	(541)	1 (2,524)	(5,203)

(1) Represents selling, general and administrative costs of $2,596,000 and $2,355,000, respectively, and depreciation expense of $246,000 and $169,000, respectively, for the nine months ended September 30, 1998 and 1999.

Revenue information by geographic area (in thousands);

	Three Months Ended September 30, 1998	Three Months Ended September 30, 1999	Nine months Ended September 30, 1998	Nine months Ended September 30, 1999
United States - Commercial	$ 25	$ 35	$ 47	$127
United States - Government	80	-	104	99
Asia	128	67	387	170
Europe	51	-	65	118
Total Revenues	$284	$102	$603	$514

For the three months ended September 30, 1998, two foreign customers represented 23% and 28% of the Company's sales. For the three months ended September 30, 1999, one foreign customer represented 51% of the Company's sales. For the nine months ended September 30, 1998, one foreign customer represented 39% of the Company's sales. For the nine months ended September 30, 1999, two foreign customers represented 30% and 22% of the Company's sales.

PART 1

ITEM 2

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

GENERAL

Amerigon Incorporated (the "Company") is in the business of developing and manufacturing vehicle components for automotive original equipment manufacturers ("OEMs"). The Company was incorporated in California on April 23, 1991 as a research and development entity focused on creating electric vehicles ("EV"). During 1998, the Company decided to suspend funding activities associated with EV and directed its resources to developing and commercializing the Climate Control Seat ("CCS-TM-") and Radar for Maneuvering and Safety ("AmeriGard-TM-"), which are both products of the Company's research. On May 26, 1999, the shareholders of the Company voted to discontinue EV operations. As a result, the Company is now principally positioned to bring to market the CCS and AmeriGard product lines and accordingly has incurred significant sales and marketing, prototype and engineering expenses to gain orders for production vehicles.

AUTO INDUSTRY. The Company is now operating as a supplier to the auto industry. Inherent in this market are costs and expenses well in advance of the receipt of orders (and resulting revenues) from customers. This is due in part to the OEM requiring the coordination and testing of proposed new components and sub-systems. Revenues from these expenditures may not be realized for 2 to 3 years as the OEMs tend to group new components and enhancements into annual or every 2 to 3 year vehicle model introductions.

RESULTS OF OPERATIONS

THIRD QUARTER 1999 COMPARED WITH THIRD QUARTER 1998

REVENUES. Revenues for the three months ended September 30, 1999 ("Third Quarter 1999") were $102,000 as compared with revenues of $284,000 in the three months ended September 30, 1998 ("Third Quarter 1998"). The decrease in revenues was due primarily to the decrease in development programs associated with the AmeriGard system. This decrease was slightly offset by increased sales of the Company's CCS units. The Company anticipates increased product revenues as it begins shipment of its CCS units to Johnson Controls Incorporated in the Fourth Quarter 1999.

PRODUCT COSTS. Product costs increased from $13,000 in the Third Quarter 1998 to $178,000 in the Third Quarter 1999. During Third Quarter 1999, the Company continued to incur costs related to the ramp-up of production of the Company's CCS units which are anticipated to be shipped in mass-volumes starting in the Fourth Quarter 1999. The Company anticipates product costs to increase in absolute dollars while decreasing as a percentage of revenue.

DIRECT DEVELOPMENT CONTRACT AND RELATED GRANT COSTS. Direct development contract and related grant costs incurred in the Third Quarter 1999 were $409,000 compared to $361,000 in the Third Quarter 1998. This is primarily due to the costs incurred in conjunction with the pre-production of the Climate Control Systems for a major automotive supplier which is anticipated to be in production by mid 2000.

RESEARCH AND DEVELOPMENT EXPENSES. Research and development expenses increased to $670,000 in Third Quarter 1999 from $650,000 in Third Quarter 1998. The increase was primarily due to an increase in computer aided design services related to various CCS platforms somewhat offset by a decrease in prototype tooling associated with the CCS systems.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES. Selling, general and administrative ("SG&A") expenses increased to $924,000 in Third Quarter 1999 compared to $885,000 in Third Quarter 1998. The change was due to the increase in liability insurance premiums and outside services/consultants in the Third Quarter 1999. The Company expects SG&A expenses to increase as it hires additional employees in connection with the development of Radar products and the commencement of production and marketing of CCS systems.

INTEREST INCOME. Net interest income in 1999 increased due to increased cash balances provided by the Financing (see note 5) on June 8, 1999.

NINE MONTHS 1999 COMPARED WITH NINE MONTHS 1998

REVENUES. Revenues for the nine months ended September 30, 1999 ("1999") were $514,000 as compared with revenues of $603,000 in the nine months ended September 30, 1998 ("1998"). The change was due to a decrease in revenues generated by the direct development contracts associated with the Radar program of $118,000 somewhat offset by the increase in product shipments for the Climate Control Seat program of $29,000.

PRODUCT COSTS. Product costs increased from $48,000 in 1998 to $221,000 in 1999. During 1999, the Company continued to incur costs related to the ramp-up of production of the Company's CCS units which are anticipated to be shipped in mass-volumes starting in the Fourth Quarter 1999. The Company anticipates product costs to increase in absolute dollars while decreasing as a percentage of revenue.

DIRECT DEVELOPMENT CONTRACT AND RELATED GRANT COSTS. Direct development contract and related grant costs increased to $1,295,000 in 1999 from $953,000 in 1998. This is primarily due to the costs incurred in conjunction with the pre-production of the Climate Control Systems for a major automotive supplier which are anticipated to be in production by mid 2000.

RESEARCH AND DEVELOPMENT EXPENSES. Research and development expenses decreased to $1,677,000 in 1999 from $1,753,000 in 1998. The decrease was due to the Company's shift of emphasis from research and development to direct development contracts and pre-production efforts associated with the anticipated contracts with Climate Control Seats.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES. Selling, general and administrative ("SG&A") expenses decreased to $2,524,000 in 1999 compared to $2,842,000 in 1998. The change was due to a decrease in recruiting expenses and other outside services/consultants in 1999. The Company expects SG&A expenses to increase as it hires additional employees in connection with

RESULTS OF OPERATIONS (CONT.)

the development of Radar products and the commencement of production and marketing of Climate Control Seats.

INTEREST INCOME. Net interest income in 1999 decreased to $25,000 due to a decline in cash balances before the 1999 Financing (see note 5). The Company also incurred interest expense of $14,000 as a result of a bridge loan of $1,200,000 and $62,000 associated with the amortization of deferred financing costs.

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 1999, the Company had working capital of $3,836,000. On June 8, 1999 the Company completed a financing (the "1999 Financing") with an investor group pursuant to which the Company sold 9,000 shares of Series A Convertible Preferred Stock for $9,000,000. The Preferred Stock is convertible into Class A Common Stock. In addition, the Company issued warrants to purchase up to 1,214,814 shares of Class A Common Stock. The warrants are exercisable only to the extent certain other warrants to purchase Class A Common Stock are exercised and then only in an amount that will enable the Investors to maintain the same percentage interest in the Company that they have in the Company after the initial investment on a fully converted basis. This transaction was approved by the shareholders at the 1999 Annual Meeting.

The Company's principal sources of operating capital have been the proceeds of its various financing transactions and, to a lesser extent, revenues from grants, development contracts and sale of prototypes to customers.

The Company has entered into a production contract with Johnson Controls Incorporated for Climate Control Seats with the initial shipments anticipated in the Fourth Quarter of 1999. The Company has spent to date $1,676,000 for tooling, equipment and materials related to this contract. The Company expects to spend an additional $296,000 for tooling, equipment and materials for this product line in the Fourth Quarter of 1999. These expenses have been offset by reimbursements of $159,000 from Johnson Controls, to date. Additionally, the Company has been building inventory in anticipation of the program launching which has reduced the Company's cash balance.

Cash and cash equivalents increased by $586,000 in 1999 primarily due to the cash raised by the 1999 Financing offset by the cash used in operating activities of $5,097,000, which was mainly attributable to the net loss of $5,178,000 before loss from discontinued operations of $19,000 associated with the electric vehicle program. Investing activities used $2,638,000 as the Company made short term investments in government securities of $1,854,000 and purchased production equipment and tooling of $784,000. Financing activities provided $8,340,000 due primarily to $8,267,000 from net proceeds of the 1999 Financing.

Until the Company is selling units in the automotive market with an appropriate margin and volume, the Company expects to incur losses for the foreseeable future. Even with the anticipation of volume production for a model 2000 luxury SUV platform, the revenue generated from the initial orders will not be sufficient to meet the Company's operating needs. The Company will need to raise additional cash from financing sources before the Company can achieve profitability from its operations. There can be no assurance that profitability can be achieved in the future. Although the

LIQUIDITY AND CAPITAL RESOURCES (CONT.)

Company has begun limited production on its Climate Control Seat product, larger orders for the seat product and the ability to begin production on the AmeriGard product will require significant expenses for tooling and to set up manufacturing and/or assembly processes. The Company also expects to require significant capital to fund other near-term production engineering and manufacturing, as well as research and development and marketing of these products. The Company does not intend to pursue any more significant grants or development contracts to fund operations and therefore is highly dependent on its current working capital sources. Future financing will be required and there can be no assurance that additional financing will be available in the future or that it will be available on favorable terms.

IMPACT OF YEAR 2000

The Company has implemented a comprehensive Year 2000 ("Y2K") initiative to identify and address issues associated with the Year 2000. A team of internal staff is managing the initiative with the assistance of some outside consultants. The team's activities are designed to ensure that there are no material adverse effects of the Company.

The Company has completed the assessment phase of its internal information services computer systems associated with the Year 2000. In response to this assessment, the Company has modified, upgraded or replaced portions of its software and hardware so that these computer systems will function properly with respect to dates in the year 2000 and thereafter. To date, the Company has completed upgrading and testing all of the affected internal computer systems related to its information and non-information technology systems used in product development, engineering, manufacturing and facilities.

The Company is also working with its significant suppliers and financial institutions to ensure that those parties have appropriate plans to address Y2K issues where their systems interface with the Company's systems or otherwise impact its operations. The Company has communicated in writing with all of its principal suppliers to confirm their status in regards to Y2K issues. The Company has assessed the extent to which its operations are vulnerable should those organizations fail to properly remedy their computer systems. The Company does not anticipate that potential Y2K issues at the customer level will have a material adverse effect on its ability to conduct normal business.

While the Company believes its efforts have been adequate to address its Y2K concerns, there can be no assurance that the systems of other companies on which the Company's systems and operations rely will be converted on a timely basis and will not have a material adverse effect on the Company. Therefore, the Company will continue to monitor Year 2000 issues throughout the remainder of 1999 and into 2000 to ensure that any additional or previously unidentified issues are properly addressed. The Company has not identified a need to develop an extensive contingency plan for non-remediation issues at this time. The need for such a plan is evaluated on an ongoing basis as part of the Company's overall Year 2000 initiative.

Based on the Company's assessment to date, the costs of the Year 2000 initiative (which are expensed as incurred) have been approximately $20,000.

IMPACT OF YEAR 2000 (CONT.)

The cost of the project and the date on which the Company completed its Year 2000 initiative are based on management's best estimate, according to information available through the Company's assessments to date. However, there can be no assurance that these estimates will be achieved, and actual results could differ materially from those anticipated. Specific factors that might cause such material differences include, but are not limited to, the availability and cost of personnel trained in this area, the retention of these professions, the ability to locate and correct all relevant computer codes, and similar uncertainties. At present, the Company has not experienced any significant problems in these areas.

OTHER INFORMATION

Certain matters discussed or referenced in this report, including the Company's intention to develop, manufacture and market Climate Control Seats and Radar products and the Company's expectation of reduced revenues and continuing losses for the foreseeable future, are forward looking statements. Other forward looking statements may be identified by the use of forward looking terminology such as "may", "will", "expect", "believe", "estimate", "anticipate", "continue", or similar terms, variations of such terms or the negative of such terms. Such statements are based upon management's current expectations and are subject to a number of risks and uncertainties which could cause actual results to differ materially from those described in the forward looking statements. Such risks and uncertainties include the market demand for and performance of the Company's products, the Company's ability to develop, market and manufacture such products successfully, the viability and protection of the Company's patents and other proprietary rights, and the Company's ability to obtain new sources of financing. Additional risks associated with the Company and its business and prospects are described in the Company's Annual Report on Form 10-K for the year ended December 31, 1998.

PART 1

ITEM 3

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes since the Form 10-K was filed for the Company's year ended December 31, 1998.

PART II

OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

10.01 Amendment to the Amerigon Incorporated 1997 Stock Option Plan

27 Financial Data Schedule

(b) Reports on Form 8-K

none

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SIGNATURE

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.

AMERIGON INCORPORATED
Registrant

Date: November 12, 1999

/s/ Richard A. Weisbart

Richard A. Weisbart
Chief Executive Officer

/s/ Sandra L. Grouf

Sandra L. Grouf
Controller
(Principal Accounting Officer)

AMENDMENT TO
THE AMERIGON INCORPORATED
1997 STOCK OPTION PLAN

Section 1.4(b) of The Amerigon Incorporated 1997 Stock Option Plan is hereby amended and restated in its entirety to read as follows:

> (B) SHARE LIMITS. The maximum number of shares of Common Stock that may be delivered pursuant to all Options (including both Nonqualified Stock Options and Incentive Stock Options) granted under this Plan shall not exceed 1,300,000 shares (the "SHARE LIMIT"). The maximum number of shares of Common Stock that may be delivered pursuant to options qualified as Incentive Stock Options granted under this Plan is 1,240,000 shares. The maximum number of shares of Common Stock that may be delivered to Non-Employee Directors under the provisions of Article 3 shall not exceed 60,000 shares. The maximum number of shares subject to those options that are granted during any calendar year to any Eligible Employee shall be limited to 250,000. Each of the four foregoing numerical limits shall be subject to adjustment as contemplated by this Section 1.4 and Section 4.2.

This amendment shall be effective as of June 23, 1999, the date of Board approval, subject to shareholder approval within 12 months thereafter.

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1,000

9-MOS
DEC-31-1999
JAN-01-1999
SEP-30-1999
2,253
1,854
244
(42)
488
186
2854
(1734)
6103
1147
0
0
8267
28149
(31472)
6103
47
514
221
5717
0
0
0
(5178)
0
(5178)
(19)
0
0
(5197)
(2.72)
(2.72)