

GENTA INC DE/  
Form 10-Q  
November 16, 2009

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 30, 2009

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 0-19635

GENTA INCORPORATED  
(Exact name of Registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

33-0326866  
(I.R.S. Employer  
Identification Number)

200 Connell Drive  
Berkeley Heights, NJ  
(Address of principal executive offices)

07922  
(Zip Code)

(908) 286-9800  
(Registrant's telephone number, including area code)

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 during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes  No

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 definition of "large accelerated filer," "accelerated filer" and "smaller reporting company"

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in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

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

As of November 6, 2009, the registrant had 181,676,924 shares of common stock outstanding.

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Genta Incorporated

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GENTA INCORPORATED  
CONSOLIDATED BALANCE SHEETS

(In thousands, except par value data)

	September 30, 2009 (unaudited)	December 31, 2008
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 7,383	\$ 4,908
Accounts receivable - net of allowances of \$21 at September 30, 2009 and \$12 at December 31, 2008, respectively	1	2
Inventory (Note 4)	109	121
Prepaid expenses and other current assets	510	973
Total current assets	8,003	6,004
Property and equipment, net	239	300
Deferred financing costs (Note 6)	10,611	6,389
Total assets	\$ 18,853	\$ 12,693
<b>LIABILITIES AND STOCKHOLDERS' EQUITY/(DEFICIT)</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 10,715	\$ 11,224
Convertible notes due June 9, 2010, \$2,186 outstanding, net of debt discount of (\$888) (Note 6)	1,298	-
Total current liabilities	12,013	11,224
Long-term liabilities:		
Office lease settlement obligation (Note 5)	1,979	1,979
Convertible notes due June 9, 2010, \$15,540 outstanding, net of debt discount of (\$11,186) (Note 6)	-	4,354
Convertible notes due April 2, 2012, \$5,375 outstanding, net of debt discount of (\$4,347) (Note 6)	1,028	-
Convertible notes due July 7, 2011, \$751 outstanding, net of debt discount of (\$665) (Note 6)	86	-
Convertible notes due September 4, 2011, \$7,000 outstanding, net of debt discount of (\$6,747) (Note 6)	253	-
Total long-term liabilities	3,346	6,333
Commitments and contingencies (Note 8)		
Stockholders' equity/(deficit):		
Preferred stock, 5,000 shares authorized:		
Series A convertible preferred stock, \$.001 par value; 8 shares issued and outstanding, liquidation value of \$385 at September 30, 2009 and December 31, 2008, respectively	-	-
Series G participating cumulative preferred stock, \$.001 par value; 0 shares issued and outstanding at September 30, 2009 and December 31, 2008, respectively	-	-
	174	10

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Common stock, \$.001 par value; 6,000,000 and 6,000,000 shares authorized, 173,514 and 9,734 shares issued and outstanding at September 30, 2009 and December 31, 2008, respectively

Additional paid-in capital	1,022,026	939,252
Accumulated deficit	(1,018,706)	(944,126)
Total stockholders' equity/(deficit)	3,494	(4,864)
Total liabilities and stockholders' equity/(deficit)	\$ 18,853	\$ 12,693

See accompanying notes to consolidated financial statements.

GENTA INCORPORATED  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(Unaudited)

Three Months Ended  
September 30,

Nine Months Ended  
September 30,