UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A
Amendment No. 1

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 13, 2013 (July 1, 2013)

ORION ENERGY SYSTEMS, INC.
(Exact name of registrant as specified in its charter)

Wisconsin	01-33887	39-1847269
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

2210 Woodland Drive, Manitowoc, WI 54220
(Address of principal executive offices, including zip code)

(920) 892-9340
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Explanatory Note

Orion Energy Systems, Inc. (the “Company”) hereby amends its Current Report on Form 8-K, originally filed on July 2, 2013, related to the acquisition on July 1, 2013 of all of the issued and outstanding equity interests of Harris Manufacturing, Inc., a Florida corporation, and Harris LED, LLC, a Florida limited liability company. The Company is filing this Amendment on Form 8-K/A for the purpose of including the required financial statements and pro forma financial information in accordance with the requirements of Item 9.01 of Form 8-K.

Item 9.01(a), (b) and (d) **Financial Statements and Exhibits.**

Exhibit 23.1	Consent of Independent Auditors.
Exhibit 99.1	Audited combined financial statements of Harris Manufacturing, Inc. and Harris LED, LLC as of and for the year ended December 31, 2012.
Exhibit 99.2	Unaudited combined financial statements of Harris Manufacturing, Inc. and Harris LED, LLC as of and for the six months ended June 30, 2013 and 2012.
Exhibit 99.3	Unaudited Pro Forma Condensed Combined Financial Information of the Company, Harris Manufacturing, Inc. and Harris LED, LLC as of and for the year ended March 31, 2013.

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 hereunto duly authorized.

ORION ENERGY SYSTEMS, INC.

Date: September 13, 2013

By: /s/ Scott R. Jensen
Scott R. Jensen
Chief Financial Officer

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Orion Energy Systems, Inc.
Manitowoc, Wisconsin

We hereby consent to the incorporation by reference in the Registration Statement Forms S-8 (No. 333-169611 and 333-148401) of Orion Energy Systems, Inc. of our report dated September 13, 2013 relating to the combined financial statements of Harris Manufacturing, Inc. and Harris LED, LLC which appears in this Form 8-K.

/s/ BDO USA, LLP
Milwaukee, Wisconsin
September 13, 2013

Harris Manufacturing, Inc. and Harris LED, LLC

Combined Financial Statements
Year Ended December 31, 2012

The report accompanying these financial statements was issued by BDO USA, LLP, a Delaware limited liability partnership and the U.S. member of BDO International Limited, a UK company limited by guarantee.

Harris Manufacturing, Inc. and Harris LED, LLC

Combined Financial Statements
Year Ended December 31, 2012

Contents

Independent Auditor's Report

Board of Directors
Harris Manufacturing, Inc. and Harris LED, LLC
Green Cove Springs, Florida

We have audited the accompanying combined financial statements of Harris Manufacturing, Inc., and Harris LED, LLC, which comprise the balance sheet as of December 31, 2012, and the related statements of operations, changes in stockholders' and members' equity, and cash flows for the year then ended and the related notes to the combined financial statements.

Management's Responsibility for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Harris Manufacturing, Inc. and Harris LED, LLC as of December 31, 2012, and the results of their operations and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

/s/ BDO USA, LLP

September 13, 2013

Combined Financial Statements

Harris Manufacturing, Inc. and Harris LED, LLC

Combined Balance Sheet

December 31, 2012	
Assets	
Current Assets	
Cash and cash equivalents	$ 475,133
Accounts receivable—trade, net of allowance for doubtful accounts of $55,000	2,535,070
Inventory	1,103,512
Prepaid expenses	66,611
Due from related party	12,988
Deferred income tax benefit	108,750
Total Current Assets	4,302,064
Property and Equipment	
Transporation equipment	85,347
Machinery and equipment	623,041
Computer hardware, office furniture, equipment and software	137,221
	845,609
Less accumulated depreciation and amortization	(699,156)
Total Property and Equipment, Net	146,453
Other Assets	
Deferred income tax benefit	122,395
Total Other Assets	122,395
Total Assets	$4,570,912

See accompanying notes to combined financial statements

Harris Manufacturing, Inc. and Harris LED, LLC

Combined Balance Sheet

December 31, 2012	
Liabilities and Stockholders' and Members' Equity	
Current Liabilities	
Accounts payable	$1,084,747
Accrued expenses	232,895
Line of credit	803,844
Total Current Liabilities	2,121,486
Commitments and Contingencies	
Stockholders' and Members' Equity	
Common stock, $0.001 par value, 20,000,000 shares authorized, 16,545,001 issued and outstanding	16,545
Additional paid in capital	286,421
Member units, $1.00 par value, 10,000 shares authorized, issued and outstanding	10,000
Retained earnings	2,136,460
Total Stockholders' and Members' Equity	2,449,426
Total Liabilties and Stockholders' and Members' Equity	$4,570,912

See accompanying notes to combined financial statements

Harris Manufacturing, Inc. and Harris LED, LLC

Combined Statement of Operations

December 31, 2012	
Sales	$14,740,454
Cost of Sales	11,253,410
Gross Profit on Sales	3,487,044
Operating Expenses	
Sales expense	1,043,255
General and administration expenses	1,041,906
Total Operating Expenses	2,085,161
Operating Income	1,401,883
Other Income (Expense)	
Interest income	4,214
Interest expense	(12,093)
Net Other Expense	(7,879)
Income Before Provision for Income Taxes	1,394,004
Provision for Income Taxes	499,781
Net Income	$ 894,223

See accompanying notes to combined financial statements

Harris Manufacturing, Inc. and Harris LED, LLC

Combined Statement of Cash Flows

Year Ended December 31, 2012	
Cash Flows From Operating Activities	
Net Income	$ 894,223
Adjustments to reconcile net income to net cash provided by operations:	
Depreciation and amortization	85,934
Provision for bad debts	4,959
Loss on sale of property and equipment	1,717
Deferred income tax benefit	418,353
Changes in assets and liabilities:	
Accounts receivable	(1,060,796)
Inventory	(87,447)
Prepaid expenses	(19,339)
Accounts payable	266,619
Accrued expenses	84,819
Net cash provided by operating activities	589,042
Cash Flows From Investing Activities	
Purchases of property and equipment	(60,688)
Proceeds from sale of property and equipment	1,850
Payments from related party advances	45,707
Net cash used in investing activities	(13,131)
Cash Flows From Financing Activities	
Net borrowings from line of credit	283,011
Proceeds from issuance of member units	10,000
Dividends paid	(800,000)
Net cash used in financing activities	(506,989)
Net Increase in Cash	68,922
Cash, beginning of year	406,211
Cash, end of year	$ 475,133
Supplemental Disclosure of Cash Flow Information	
Cash paid during the year for interest	$ 19,318
Cash paid during the year for taxes	$ 79,272

See accompanying notes to combined financial statements

Harris Manufacturing, Inc. and Harris LED, LLC

Combined Statement of Changes in Stockholders' and Members' Equity

	Common Stock Voting		Member Units				
	Shares	Amount	Units	Amount	Additional Paid in Capital	Retained Earnings	Total Stockholders' and Members' Equity
Balance, December 31, 2011	16,545,001	$16,545	—	$ —	$ 286,421	$2,042,237	$2,345,203
Net income	—	—	—	—	—	894,223	894,223
Issuance of member units	—	—	10,000	10,000	—	—	10,000
Dividends paid	—	—	—	—	—	(800,000)	(800,000)
Balance, December 31, 2012	16,545,001	$16,545	10,000	$10,000	$ 286,421	$2,136,460	$2,449,426

See accompanying notes to combined financial statements

1. Significant Accounting Policies

Basis of Presentation

The combined financial statements include the accounts of Harris Manufacturing, Inc. (Harris Manufacturing) and Harris LED, LLC (Harris LED), (collectively the Companies). The Companies are combined due to common ownership. Significant intercompany transactions have been eliminated.

Organization

Harris Manufacturing markets custom-designed, energy-saving, commercial lighting fixtures. These fixtures provide significant energy savings compared to traditional, non-reflectorized, magnetic ballast fluorescent fixtures. Harris Manufacturing sells to commercial and governmental customers throughout North America. Harris Manufacturing also performs installation contracts related to the fixtures it manufactures.

Harris LED performs installation services and sells LED products. In exchange for management, sales and other services provided by Harris Manufacturing to Harris LED, Harris LED reimburses Harris Manufacturing for the cost of such services and pays Harris Manufacturing 14% of its monthly gross sales as an administrative fee and sales commissions.

Basis of Accounting

The Companies maintain their records on the accrual basis of accounting. The combined financial statements and notes are representations of the Companies' management who is responsible for their integrity and objectivity. The accounting principles conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the combined financial statements.

Use of Estimates

The preparation of combined financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Material estimates that are particularly susceptible to significant change in the near term relate to the determination of the allowance for doubtful accounts, the reserve for excess inventory, the recognition of deferred income tax benefits, and accrued expenses. The determination of the adequacy of the allowance for doubtful accounts, the reserve for excess inventory, the recognition of deferred income tax benefits, and accrued expenses are based on estimates that may be affected by significant changes in the economic environment, ongoing litigation, market conditions, and the ability of management to implement effective tax strategies to utilize deferred income tax benefits.

Comprehensive Income

The Financial Accounting Standards Board ("FASB") issued Accounting Standards Codification ("ASC") No. 220, *Comprehensive Income* ("FASB ASC 220"). FASB ASC 220 requires an entity to report its change in equity during the period from transactions and events other than those resulting from investments by and distributions to owners. All items that are recognized as comprehensive income are required to be reported in a financial statement that is displayed with the same prominence as other combined financial statements. The Companies do not have any material amounts of comprehensive income other than those already shown in the Statement of Operations; therefore, a separate statement of comprehensive income is not included with these combined financial statements.

Fair Value of Financial Instruments

Financial instruments of the Companies consist of cash and cash equivalents, accounts receivables and payables, due from related party, and line of credit. The carrying amount of financial instruments approximates fair value because of the short–term nature of such instruments, or in the case of the line of credit, because of interest rates available to the Companies for similar obligations.

Fair Value Measurements and Disclosures

The Companies have adopted ASC 820-10-50, *Fair Value Measurements and Disclosures.* This statement defines fair value, establishes a framework for measuring fair value, and expands disclosures about the fair value measurements. ASC 820-10-50 establishes a fair value hierarchy for the inputs used to measure fair value based on the nature of the data input, which generally range from quoted prices for identical instruments in a principal trading market (Level 1) to estimates determined using related market data (Level 3). At December 31, 2012, the Companies have no financial instruments subject to the fair value measurement hierarchy.

Cash and Cash Equivalents

The Companies consider all interest and non-interest bearing deposits to be cash equivalents.

Accounts Receivable

Accounts receivable arise in the normal course of business and represent amounts due from trade customers and employees. Management reviews the outstanding accounts receivable at year end, as well as the bad debt write-offs experienced in the past, and provides for probable uncollectible amounts through a charge to earnings and a credit to an allowance for doubtful accounts based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. As of December 31, 2012, the allowance for doubtful accounts amounted to $55,000. Bad debts totaled $4,959 for 2012. Based on the information available, the Companies believe the allowance for doubtful accounts is adequate.

Inventory

Raw materials, including raw materials incorporated into work-in-process and finished goods, are stated at cost using the first-in, first-out (FIFO) basis. Work-in-process and finished goods are stated at standard cost, which approximates FIFO cost or market. Inventory is net of allowance for slow moving items.

Property and Equipment

Property and equipment assets are stated at cost. Significant renewals and betterments are capitalized, while repair and maintenance expenditures are charged to expense. When property and equipment are sold or retired, the related costs and accumulated depreciation and amortization are removed from the accounts and any gain or loss is included in income. Depreciation and amortization are provided using the straight-line method over the estimated useful lives of the assets. Depreciation and amortization expense totaled $85,934.

The estimated useful lives of property and equipment are as follows:

	Estimated Useful Lives
Transportation equipment	5 years
Machinery and equipment	5-10 years
Computer hardware, office furniture, equipment and software	3-5 years

Long-lived Assets

Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the fair value of the asset. When required, certain long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less cost to sell.

Revenue Recognition

Revenue is recognized on the sales of the Companies' lighting and related energy efficiency systems and products when the following four criteria are met:

- Persuasive evidence of an arrangement exists;
- Delivery has occurred and title has passed to the customer;
- The sales price is fixed and determinable and no further obligation exists; and
- Collectability is reasonably assured.

These four criteria are met for the Companies' product-only revenue upon delivery of the product and title passing to the customer. At that time, the Companies provide for estimated costs that may be incurred for product warranties and sales returns. Revenues are presented net of sales tax and other sales related taxes.

For sales of the Companies' lighting and energy management technologies, consisting of multiple elements of revenue, such as a combination of product sales and services, the Company determines the amount of revenue for each element by allocating the total contract revenue to each element based on their relative selling prices in accordance with ASC 605-25, *Revenue Recognition – Multiple Element Arrangements.* In such circumstances, the Company uses a hierarchy to determine the selling price to be used for allocating revenue to deliverables: (1) vendor-specific objective evidence (VSOE) of fair value, if available, (2) third-party evidence (TPE) of selling price if VSOE is not available, and (3) best estimate of the selling price if neither VSOE nor TPE is available (a description as to how the Companies determined VSOE, TPE and estimated selling price is provided below).

The nature of the Companies' multiple element arrangements for the sale of its lighting and energy management technologies is similar to a construction project, with materials being delivered and contracting and project management activities occurring according to an installation schedule. The significant deliverables include the shipment of products and related transfer of title and the installation.

To determine the selling price in multiple-element arrangements, the Companies established the selling price for its HIF lighting and energy management system products using management's best estimate of the selling price, as VSOE or TPE does not exist. Product revenue is recognized when products are shipped. For product revenue, management's best estimate of selling price is determined using a cost plus gross profit margin method. In addition, the Companies records in service revenue the selling price for its installation and recycling services using management's best estimate of selling price, as VSOE or TPE does not exist. Service revenue is recognized when services are completed and customer acceptance has been received. Recycling services provided in connection with installation entail the disposal of the customer's legacy lighting fixtures. The Companies' service revenues, other than for installation and recycling that are completed prior to delivery of the product, are included in product revenue using management's best estimate of selling price, as VSOE and TPE does not exist. These services include comprehensive site assessment, site field verification, utility incentive and government subsidy management, engineering design, and project management. For these services, along with the Companies' installation and recycling services, under a multiple-element arrangement, management's best estimate of selling price is determined by considering several external and internal factors including, but not limited to, economic conditions and trends, customer demand, pricing practices, margin objectives, competition, geographies in which the Companies offer its products and services and internal costs. The determination of estimated selling price is made through consultation with and approval by management, taking into account all of the preceding factors.

Income Taxes

Harris LED, as a limited liability company, is taxed as a partnership. As such, the members are liable for individual federal and state income taxes related to the Company's taxable income. Accordingly, no provision for income taxes has been included in these combined financial statements.

For Harris Manufacturing, provisions for income taxes are based on amounts reported in the Statement of Operations after exclusion of nontaxable income and nondeductible expenses, such as meals and entertainment. Deferred income taxes are computed under the liability method as prescribed in FASB ASC 740-10-25, Income Taxes, for the tax effects of temporary differences, if material. The deferred income tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred income taxes are also recognized for operating losses that are available to offset future income taxes. The components of the deferred income tax asset and liability are classified as current and noncurrent based on their characteristics. Valuation allowances are provided for deferred income tax assets based on management's projection of the sufficiency of future taxable income to realize the assets. Such projections include the consideration of the likelihood that business or tax strategies may be implemented to recognize future taxable income.

The Companies have adopted ASC Section 740-10 (formerly known as FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes—an Interpretation of FASB No. 109)*. This interpretation clarifies the accounting for income taxes by prescribing the minimum standard a tax position is required to meet before being recognized in the combined financial statements. The Companies have not taken any uncertain tax position that should be accounted for under ASC Section 740-10.

The Companies recognize interest and penalties, if any, as a component of operating expenses. Management believes that the Companies are no longer subject to federal income tax examinations for years before 2009. There are no examinations in progress.

Advertising

The Companies expense all advertising costs as they are incurred. Total advertising costs for the year ended December 31, 2012 were not material.

Recent Accounting Pronouncements

Management does not anticipate that any of the recently finalized accounting pronouncements, when effective and implemented if necessary, would have a material impact on the financial condition, results of operations, or liquidity of the Companies.

Subsequent Events

ASC 855, *Subsequent Events*, requires an entity to record the effects of subsequent events that provide evidence about conditions that existed at the balance sheet date and disclose but not record the effects of subsequent events which provide evidence about conditions that did not exist at the balance sheet date. Management's date for evaluating the existence of subsequent events that would affect the combined financial statements for the year ended December 31, 2012, was September 13, 2013, which was the date the combined financial statements were available to be issued. Except as noted below, Management is not aware of any subsequent events which would require recognition or disclosure in the combined financial statements.

On July 1, 2013, all equity interests of the Companies were acquired by Orion Energy Systems, Inc. for a purchase price of approximately $10.1 million. The purchase price is subject to potential post-closing adjustments for net working capital and certain other items.

2. Concentrations and Risks

Concentration of Credit Risks

The Companies maintain their cash in bank deposit accounts at high credit-quality financial institutions in which accounts are insured by the Federal Deposit Insurance Corporation up to the prevailing limits. Uninsured deposits totaled $223,956 as of December 31, 2012.

The Companies grant credit to various commercial and government customers throughout North America under the terms of the underlying contracts. Substantially all of such credit is typically repaid within 20 to 75 days from invoice date.

Dependence on Key Customers

One customer accounted for approximately 18.8% of sales for 2012 and approximately 23.3% of trade accounts receivable at December 31, 2012.

In addition to these customers, Harris Manufacturing has an agreement with a retail chain of stores. Under this agreement, the Company sells its products at fixed prices to the retail chain's subcontractors for installation within the stores. Indirect sales to the retail chain through its subcontractors accounted for 34.4% of sales for 2012 and approximately 28.5% of accounts receivable at December 31, 2012.

Due to the nature of the Company's business, major customers may vary from year to year. The Company is attempting to expand its client base to reduce such levels of dependency in the future.

Major Suppliers

While a substantial portion of purchases have been made from a few vendors for the convenience of the Companies, there exist other vendors that can supply the same materials.

Currently, the Companies purchase certain of its fixtures from foreign vendors and subsidiaries of U.S. companies. The Companies are not exposed to foreign currency exchange risks.

3. Inventory

At December 31, 2012, inventory consisted of the following:

Raw materials	$1,024,941
Work in process	21,227
Finished goods	57,344
	$1,103,512

4. Related Party Transactions

At December 31, 2012, amounts due from related party consisted of advances to Scott A. Green, a stockholder and Executive Vice President of Business Development, along with accrued interest on advances.

5. Line of Credit

Harris Manufacturing has a revolving line of credit in the amount of $2,000,000 with Branch Banking & Trust Company with interest at the prime rate (3.25% at December 31, 2012) due August 5, 2014. The note is secured by substantially all of the assets owned by Harris Manufacturing and provides for a maximum outstanding balance of 65% of eligible accounts receivable and 30% of eligible inventory. Interest expense on the line of credit totaled $19,318 for 2012. Under the line of credit, advances of $803,844 were outstanding at December 31, 2012. At December 31, 2012, approximately $1.0 million was available to fund under this line of credit, based on Harris Manufacturing's eligible accounts receivable and inventory. The line of credit was paid in full in June 2013.

The loan agreement requires Harris Manufacturing to maintain a minimum ratio of total liabilities to tangible net worth of 1.25 to 1, and includes other nonfinancial covenants. Management has complied with all of the loan covenants at December 31, 2012.

6. Retirement Plan

Harris Manufacturing has established a salary deferral plan under the provisions of Section 401(k) of the Internal Revenue Code. Participating employees contribute a percentage of their salary with matching contributions of up to 4% by Harris Manufacturing. Harris Manufacturing's expense for 2012 totaled $42,833. Of the 2012 expense recognized, $13,610 remained unpaid and was included in accounts payable at December 31, 2012.

7. Operating Leases

Harris Manufacturing leases from Clay County Port, Inc. ("lessor"), its office, manufacturing, and warehouse facilities located in Green Cove Springs, Florida, under a lease agreement effective October 1, 2007. The lease agreement was amended in October 2010 and provides for, effective January 1, 2011, monthly rent at $16,675 plus tax, adjusted annually by the Consumer Price Index in years three through five subject to a floor of 2% and a ceiling of 3%. The lease term is five years through December 31, 2015, and is cancellable with a 12-month notice by either party. In July 2013 Management provided the required 12-month notice to cancel the lease. The table below reflects the cancellation of the lease. Facilities rent, including sales tax, totaled $214,109 for 2012.

Harris Manufacturing rents equipment and records these rentals as operating leases. The equipment rental amounts paid for 2012 totaled $15,412.

Total noncancelable minimum annual payments as of December 31, 2012 are as follows:

2013	$229,143
2014	140,695
2015	7,917
2016	3,619
Total	$381,374

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8. Income Taxes

The provision for income taxes for 2012 is summarized as follows:

December 31, 2012	
Current	
Federal	$ 48,770
State	32,658
Total current	81,428
Deferred	
Federal	368,924
State	49,429
Total deferred	418,353
Total Provisions for Income Taxes	$499,781

A reconciliation of the statutory federal income tax rate and effective income tax rate is as follows:

Year Ended December 31, 2012	
Statutory federal income tax rate	34.0%
Tax attributable to LLC	(2.0)%
Permanent items	0.8%
State income taxes	5.2%
Other	(2.1)%
Effective Income Tax Rate	35.9%

Deferred income taxes arise primarily due to state net operating loss carryforwards and differences in accounting for bad debts and provisions for inventory obsolescence, warranties, and legal claims.

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The components of the net deferred income tax benefit are as follows:

December 31, 2012	
Deferred income tax asset	
Federal	$ 92,800
State	172,751
Total deferred income tax asset	265,551
Deferred income tax liability	
Federal	(29,360)
State	(5,046)
Total deferred income tax liability	(34,406)
Net deferred income tax benefit	231,145
Less current portion	(108,750)
Long-Term Portion	$ 122,395

Tax effects of each type of significant item that gave rise to deferred income taxes are:

December 31, 2012	
Net operating loss carryforward	$156,801
Allowance for bad debts	20,625
Depreciation	(34,406)
Provision for inventory obsolescence	65,625
Provision for legal claims	11,250
Provision for warranties	11,250
	$231,145

FASB ASC 740-10-30 specifies that deferred income tax assets are to be reduced by a valuation allowance if it is more likely than not that some portion or all of the deferred income tax asset will not be realized. Based on management's expectation of the implementation of business or tax strategies that would generate future taxable income, a valuation allowance was not established in 2012.

Harris Manufacturing has state net operating loss carryforwards of approximately $2.7 million, which are available to offset state income taxes in future years. The carryforwards will begin to expire in 2025.

9. Commitments and Contingencies

Harris Manufacturing may be a party to certain claims and legal actions arising in the ordinary course of business. The Companies have made provisions of $30,000 in 2012, which management believes is adequate to cover potential claims.

The Companies provide warranties for one year from the date of sale for products it sells and for 60 days for services. The Companies have accrued future warranty costs of $30,000 as of December 31, 2012.

Harris Manufacturing has employment agreements for two of its officers, which include non-compete arrangements until 2013. The employment agreements provide for base salaries and bonuses, as well as severance payments ranging from 6 to 12 months, upon termination for any reason other than cause. In connection with the acquisition by Orion Energy Systems, Inc. the employment agreements were cancelled.

Exhibit 99.2

Harris Manufacturing, Inc. and
Harris LED, LLC

Unaudited Combined Financial Statements
Six Months Ended June 30, 2013

Harris Manufacturing, Inc. and Harris LED, LLC

Unaudited Combined Financial Statements
Six Months Ended June 30, 2013

Harris Manufacturing, Inc. and Harris LED, LLC

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Unaudited Combined Financial Statements

Unaudited Combined Financial Statements

Harris Manufacturing, Inc. and Harris LED, LLC

Unaudited Combined Balance Sheets

	June 30, 2013	December 31, 2012
Assets		
Current Assets		
Cash and cash equivalents	**$ 8,505**	$ 475,133
Accounts receivable — trade, net of allowance for doubtful accounts of $40,000 and $55,000, respectively	**2,288,805**	2,535,070
Inventory	**1,419,453**	1,103,512
Prepaid expenses	**86,211**	66,611
Due from related party	**—**	12,988
Deferred income tax benefit	**103,125**	108,750
Total Current Assets	**3,906,099**	4,302,064
Property and Equipment		
Transporation equipment	**85,347**	85,347
Machinery and equipment	**623,041**	623,041
Computer hardware, office furniture, equipment and software	**147,481**	137,221
	855,869	845,609
Less accumulated depreciation and amortization	**(739,121)**	(699,156)
Total Property and Equipment, Net	**116,748**	146,453
Other Assets		
Deferred income tax benefit	**106,395**	122,395
Total Other Assets	**106,395**	122,395
Total Assets	**$ 4,129,242**	$ 4,570,912

See accompanying notes to unaudited combined financial statements

Harris Manufacturing, Inc. and Harris LED, LLC

Unaudited Combined Balance Sheets

	June 30, 2013	December 31, 2012
Liabilities and Stockholders' and Members' Equity		
Current Liabilities		
Accounts payable	**$ 1,518,921**	$ 1,084,747
Accrued expenses	**383,208**	232,895
Deferred revenue	**104,000**	—
Line of credit	**—**	803,844
Total Current Liabilities	**2,006,129**	2,121,486
Commitments and Contingencies		
Stockholders' and Members' Equity		
Common stock, $0.001 par value, 20,000,000 shares authorized, 16,545,001 issued and outstanding	**16,545**	16,545
Additional paid in capital	**286,421**	286,421
Member units, $1.00 par value, 10,000 shares authorized, issued and outstanding	**10,000**	10,000
Retained earnings	**1,810,147**	2,136,460
Total Stockholders' and Members' Equity	**2,123,113**	2,449,426
Total Liabilties and Stockholders' and Members' Equity	**$ 4,129,242**	$ 4,570,912

See accompanying notes to unaudited combined financial statements

Harris Manufacturing, Inc. and Harris LED, LLC

Unaudited Combined Statements of Operations

Six Months Ended June 30,	**2013**	2012
Sales	**$8,269,205**	$6,379,684
Cost of Sales	**6,169,363**	5,033,509
Gross Profit on Sales	**2,099,842**	1,346,175
Operating Expenses		
Sales expense	**539,830**	516,329
General and administration expenses	**1,038,368**	516,794
Total Operating Expenses	**1,578,198**	1,033,123
Operating Income	**521,644**	313,052
Other Income (Expense)		
Interest income	**—**	9,093
Interest expense	**(15,529)**	(5,316)
Net Other (Expense) Income	**(15,529)**	3,777
Income Before Provision for Income Taxes	**506,115**	316,829
Provision for Income Taxes	**128,126**	119,330
Net Income	**$ 377,989**	$ 197,499

See accompanying notes to unaudited combined financial statements

Harris Manufacturing, Inc. and Harris LED, LLC

Unaudited Combined Statements of Cash Flows

Six Months Ended June 30,	**2013**	2012
Cash Flows From Operating Activities		
Net Income	**$ 377,989**	$ 197,499
Adjustments to reconcile net income to net cash provided by operations:		
Depreciation and amortization	**39,965**	43,622
Provision for bad debts	**(30,845)**	—
Deferred income tax benefit	**21,625**	132,171
Changes in assets and liabilities:		
Accounts receivable	**277,110**	32,070
Inventory	**(315,941)**	(350,405)
Prepaid expenses	**(19,600)**	(2,797)
Accounts payable	**434,174**	180,447
Accrued expenses	**150,313**	(11,578)
Deferred revenue	**104,000**	—
Net cash provided by operating activities	**1,038,790**	221,029
Cash Flows From Investing Activities		
Purchases of property and equipment	**(10,260)**	(32,579)
Payments from related party advances	**12,988**	10,588
Net cash provided by (used in) investing activities	**2,728**	(21,991)
Cash Flows From Financing Activities		
Repayments on line of credit	**(803,844)**	(104,166)
Dividends paid	**(704,302)**	(200,000)
Net cash used in financing activities	**(1,508,146)**	(304,166)
Net Decrease in Cash	**(466,628)**	(105,128)
Cash, beginning of year	**475,133**	406,211
Cash, end of year	**$ 8,505**	$ 301,083
Supplemental Disclosure of Cash Flow Information		
Cash paid during the year for interest	**$ 12,590**	$ 7,761
Cash paid during the year for taxes	**$ 31,306**	$ 35,774

See accompanying notes to unaudited combined financial statements

Harris Manufacturing, Inc. and Harris LED, LLC

Unaudited Combined Statement of Changes in Stockholders' and Members' Equity

	Common Stock Voting		Member Units		Additional Paid in Capital	Retained Earnings	Total Stockholders' and Members' Equity
	Shares	Amount	Units	Amount			
Balance, December 31, 2012	16,545,001	$16,545	10,000	$10,000	$ 286,421	$ 2,136,460	$ 2,449,426
Net income	—	—	—	—	—	377,989	377,989
Dividends paid	—	—	—	—	—	(704,302)	(704,302)
Balance, June 30, 2013	16,545,001	$16,545	10,000	$10,000	$ 286,421	$ 1,810,147	$ 2,123,113

See accompanying notes to unaudited combined financial statements

1. Significant Accounting Policies

Basis of Presentation

The combined financial statements include the accounts of Harris Manufacturing, Inc. (Harris Manufacturing) and Harris LED, LLC (Harris LED), (collectively the Companies). The Companies are combined due to common ownership. Significant intercompany transactions have been eliminated. Interim results are not necessarily indicative of results that may be expected for the year ending December 31, 2013 or other interim periods.

Organization

Harris Manufacturing markets custom-designed, energy-saving, commercial lighting fixtures. These fixtures provide significant energy savings compared to traditional, non-reflectorized, magnetic ballast fluorescent fixtures. Harris Manufacturing sells to commercial and governmental customers throughout North America. Harris Manufacturing also performs installation contracts related to the fixtures it manufactures.

Harris LED performs installation services and sells LED products. In exchange for management, sales and other services provided by Harris Manufacturing to Harris LED, Harris LED reimburses Harris Manufacturing for the cost of such services and pays Harris Manufacturing 14% of its monthly gross sales as an administrative fee and sales commissions.

Basis of Accounting

The Companies maintain their records on the accrual basis of accounting. The combined financial statements and notes are representations of the Companies' management who is responsible for their integrity and objectivity. The accounting principles conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the combined financial statements.

Use of Estimates

The preparation of combined financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Material estimates that are particularly susceptible to significant change in the near term relate to the determination of the allowance for doubtful accounts, the reserve for excess inventory, the recognition of deferred income tax benefits, and accrued expenses. The determination of the adequacy of the allowance for doubtful accounts, the reserve for excess inventory, the recognition of deferred income tax benefits, and accrued expenses are based on estimates that may be affected by significant changes in the economic environment, ongoing litigation, market conditions, and the ability of management to implement effective tax strategies to utilize deferred income tax benefits.

Comprehensive Income

The Financial Accounting Standards Board ("FASB") issued Accounting Standards Codification ("ASC") No. 220, *Comprehensive Income* ("FASB ASC 220"). FASB ASC 220 requires an entity to report its change in equity during the period from transactions and events other than those resulting from investments by and distributions to owners. All items that are recognized as comprehensive income are required to be reported in a financial statement that is displayed with the same prominence as other combined financial statements. The Companies do not have any material amounts of comprehensive income other than those already shown in the Statement of Operations; therefore, a separate statement of comprehensive income is not included with these combined financial statements.

Fair Value of Financial Instruments

Financial instruments of the Companies consist of cash and cash equivalents, accounts receivables and payables, due from related party, and line of credit. The carrying amount of financial instruments approximates fair value because of the short–term nature of such instruments, or in the case of the line of credit, because of interest rates available to the Companies for similar obligations.

Fair Value Measurements and Disclosures

The Companies have adopted ASC 820-10-50, *Fair Value Measurements and Disclosures.* This statement defines fair value, establishes a framework for measuring fair value, and expands disclosures about the fair value measurements. ASC 820-10-50 establishes a fair value hierarchy for the inputs used to measure fair value based on the nature of the data input, which generally range from quoted prices for identical instruments in a principal trading market (Level 1) to estimates determined using related market data (Level 3). At June 30, 2013 and December 31, 2012, the Companies have no financial instruments subject to the fair value measurement hierarchy.

Cash and Cash Equivalents

The Companies consider all interest and non-interest bearing deposits to be cash equivalents.

Accounts Receivable

Accounts receivable arise in the normal course of business and represent amounts due from trade customers and employees. Management reviews the outstanding accounts receivable at year end, as well as the bad debt write-offs experienced in the past, and provides for probable uncollectible amounts through a charge to earnings and a credit to an allowance for doubtful accounts based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. As of June 30, 2013 and December 31, 2012, the allowance for doubtful accounts amounted to $40,000 and $55,000, respectively. Bad debt (income) expense totaled ($30,845) and $0 for the six months ended June 30, 2013 and 2012, respectively. Based on the information available, the Companies believe the allowance for doubtful accounts is adequate.

Inventory

Raw materials, including raw materials incorporated into work-in-process and finished goods, are stated at cost using the first-in, first-out (FIFO) basis. Work-in-process and finished goods are stated at standard cost, which approximates FIFO cost or market. Inventory is net of allowance for slow moving items.

Property and Equipment

Property and equipment assets are stated at cost. Significant renewals and betterments are capitalized, while repair and maintenance expenditures are charged to expense. When property and equipment are sold or retired, the related costs and accumulated depreciation and amortization are removed from the accounts and any gain or loss is included in income. Depreciation and amortization are provided using the straight-line method over the estimated useful lives of the assets. Depreciation and amortization expense totaled $39,965 and $43,622 for the six months ended June 30, 2013 and 2012, respectively.

The estimated useful lives of property and equipment are as follows:

	Estimated Useful Lives
Transportation equipment	5 years
Machinery and equipment	5-10 years
Computer hardware, office furniture, equipment and software	3-5 years

Long-lived Assets

Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the fair value of the asset. When required, certain long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less cost to sell.

Revenue Recognition

Revenue is recognized on the sales of the Companies' lighting and related energy efficiency systems and products when the following four criteria are met:

- Persuasive evidence of an arrangement exists;
- Delivery has occurred and title has passed to the customer;
- The sales price is fixed and determinable and no further obligation exists; and
- Collectability is reasonably assured.

These four criteria are met for the Companies' product-only revenue upon delivery of the product and title passing to the customer. At that time, the Companies provide for estimated costs that may be incurred for product warranties and sales returns. Revenues are presented net of sales tax and other sales related taxes.

For sales of the Companies' lighting and energy management technologies, consisting of multiple elements of revenue, such as a combination of product sales and services, the Company determines the amount of revenue for each element by allocating the total contract revenue to each element based on their relative selling prices in accordance with ASC 605-25, *Revenue Recognition – Multiple Element Arrangements.* In such circumstances, the Company uses a hierarchy to determine the selling price to be used for allocating revenue to deliverables: (1) vendor-specific objective evidence (VSOE) of fair value, if available, (2) third-party evidence (TPE) of selling price if VSOE is not available, and (3) best estimate of the selling price if neither VSOE nor TPE is available (a description as to how the Companies determined VSOE, TPE and estimated selling price is provided below).

The nature of the Companies' multiple element arrangements for the sale of its lighting and energy management technologies is similar to a construction project, with materials being delivered and contracting and project management activities occurring according to an installation schedule. The significant deliverables include the shipment of products and related transfer of title and the installation.

To determine the selling price in multiple-element arrangements, the Companies established the selling price for its HIF lighting and energy management system products using management's best estimate of the selling price, as VSOE or TPE does not exist. Product revenue is recognized when products are shipped. For product revenue, management's best estimate of selling price is determined using a cost plus gross profit margin method. In addition, the Companies record in service revenue the selling price for its installation and recycling services using management's best estimate of selling price, as VSOE or TPE does not exist. Service revenue is recognized when services are completed and customer acceptance has been received. Recycling services provided in connection with installation entail the disposal of the customer's legacy lighting fixtures. The Companies' service revenues, other than for installation and recycling that are completed prior to delivery of the product, are included in product revenue using management's best estimate of selling price, as VSOE and TPE does not exist. These services include comprehensive site assessment, site field verification, utility incentive and government subsidy management, engineering design, and project management. For these services, along with the Companies' installation and recycling services, under a multiple-element arrangement, management's best estimate of selling price is determined by considering several external and internal factors including, but not limited to, economic conditions and trends, customer demand, pricing practices, margin objectives, competition, geographies in which the Companies offer its products and services and internal costs. The determination of estimated selling price is made through consultation with and approval by management, taking into account all of the preceding factors.

Deferred revenue relates to advance customer billings and is classified as a liability on the Combined Balance Sheet. Deferred revenue is recognized when the services are delivered.

Income Taxes

Harris LED, as a limited liability company, is taxed as a partnership. As such, the members are liable for individual federal and state income taxes related to the Company's taxable income. Accordingly, no provision for income taxes has been included in these combined financial statements.

For Harris Manufacturing, provisions for income taxes are based on amounts reported in the Statement of Operations after exclusion of nontaxable income and nondeductible expenses, such as meals and entertainment. Deferred income taxes are computed under the liability method as prescribed in FASB ASC 740-10-25, Income Taxes, for the tax effects of temporary differences, if material. The deferred income tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred income taxes are also recognized for operating losses that are available to offset future income taxes. The components of the deferred income tax asset and liability are classified as current and noncurrent based on their characteristics. Valuation allowances are provided for deferred income tax assets based on management's projection of the sufficiency of future taxable income to realize the assets. Such projections include the consideration of the likelihood that business or tax strategies may be implemented to recognize future taxable income.

The Companies have adopted ASC Section 740-10 (formerly known as FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes—an Interpretation of FASB No. 109)*. This interpretation clarifies the accounting for income taxes by prescribing the minimum standard a tax position is required to meet before being recognized in the combined financial statements. The Companies have not taken any uncertain tax position that should be accounted for under ASC Section 740-10.

The Companies recognize interest and penalties, if any, as a component of operating expenses. Management believes that the Companies are no longer subject to federal income tax examinations for years before 2009. There are no examinations in progress.

Advertising

The Companies expense all advertising costs as they are incurred. Total advertising costs for the six months ended June 30, 2013 and 2012 were not material.

Recent Accounting Pronouncements

Management does not anticipate that any of the recently finalized accounting pronouncements, when effective and implemented if necessary, would have a material impact on the financial condition, results of operations, or liquidity of the Companies.

Subsequent Events

ASC 855, *Subsequent Events*, requires an entity to record the effects of subsequent events that provide evidence about conditions that existed at the balance sheet date and disclose but not record the effects of subsequent events which provide evidence about conditions that did not exist at the balance sheet date. Management's date for evaluating the existence of subsequent events that would affect the combined financial statements for the six months ended June 30, 2013, was September 13, 2013, which was the date the combined financial statements were available to be issued. Except as noted below, Management is not aware of any subsequent events which would require recognition or disclosure in the combined financial statements.

On July 1, 2013, all equity interests of the Companies were acquired by Orion Energy Systems, Inc. for a purchase price of approximately $10.1 million. The purchase price is subject to potential post-closing adjustments for net working capital and certain other items.

2. Concentrations and Risks

Concentration of Credit Risks

The Companies maintain their cash in bank deposit accounts at high credit-quality financial institutions in which accounts are insured by the Federal Deposit Insurance Corporation up to the prevailing limits. The Companies had no uninsured deposits as of June 30, 2013.

The Companies grant credit to various commercial and government customers throughout North America under the terms of the underlying contracts. Substantially all of such credit is typically repaid within 20 to 75 days from invoice date.

Dependence on Key Customers

One customer accounted for approximately 15.7% of sales for the six months ended June 30, 2012, and approximately 23.3% of trade accounts receivable at December 31, 2012. There was no concentration for this customer for the six months ended June 30, 2013.

In addition to these customers, Harris Manufacturing has an agreement with a retail chain of stores. Under this agreement, the Company sells its products at fixed prices to the retail chain's subcontractors for installation within the stores. Indirect sales to the retail chain through its subcontractors accounted for 27.0% and 40.5% of sales for the six months ended June 30, 2013 and 2012, respectively, and approximately 30.9% and 28.5% of accounts receivable at June 30, 2013 and December 31, 2012, respectively.

Due to the nature of the Company's business, major customers may vary from year to year. The Company is attempting to expand its client base to reduce such levels of dependency in the future.

Major Suppliers

While a substantial portion of purchases have been made from a few vendors for the convenience of the Companies, there exist other vendors that can supply the same materials.

Currently, the Companies purchase certain of its fixtures from foreign vendors and subsidiaries of U.S. companies. The Companies are not exposed to foreign currency exchange risks.

3. Inventory

Inventory consisted of the following:

	June 30, 2013	December 31, 2012
Raw materials	**$ 1,147,846**	$ 1,024,941
Work in process	**22,309**	21,227
Finished goods	**249,298**	57,344
	$ 1,419,453	$ 1,103,512

4. Related Party Transactions

At December 31, 2012, amounts due from related party consisted of advances to Scott A. Green, a stockholder and Executive Vice President of Business Development, along with accrued interest on advances. Advances were paid in full during 2013.

5. Line of Credit

Harris Manufacturing has a revolving line of credit in the amount of $2,000,000 with Branch Banking & Trust Company with interest at the prime rate due August 5, 2014. The note is secured by substantially all of the assets owned by Harris Manufacturing and provides for a maximum outstanding balance of 65% of eligible accounts receivable and 30% of eligible inventory. Interest expense on the line of credit totaled $12,490 and $7,761 for the six months ended June 30, 2013 and 2012, respectively. The line of credit was paid in full and terminated in June 2013.

6. Retirement Plan

Harris Manufacturing has established a salary deferral plan under the provisions of Section 401(k) of the Internal Revenue Code. Participating employees contribute a percentage of their salary with matching contributions of up to 4% by Harris Manufacturing. Harris Manufacturing’s expense for the six months ended June 30, 2013 and 2012 totaled $40,056 and $18,385, respectively. Of the 2013 expense recognized, $22,564 remained unpaid and was included in accounts payable at June 30, 2013.

7. Operating Leases

Harris Manufacturing leases from Clay County Port, Inc. (“lessor”), its office, manufacturing, and warehouse facilities located in Green Cove Springs, Florida, under a lease agreement effective October 1, 2007. The lease agreement was amended in October 2010 and provides for, effective January 1, 2011, monthly rent at $16,675 plus tax, adjusted annually by the Consumer Price Index in years three through five subject to a floor of 2% and a ceiling of 3%. The lease term is five years through December 31, 2015, and is cancellable with a 12-month notice by either party. In July 2013 Management provided the required 12-month notice to cancel the lease. The table below reflects the cancellation of the lease. Facilities rent, including sales tax, totaled $110,810 and $107,089 for the six months ending June 30, 2013 and 2012, respectively.

Harris Manufacturing rents equipment and records these rentals as operating leases. The equipment rental amounts paid for the six months ending June 30, 2013 and 2012 totaled $4,334 and $3,896, respectively.

Total noncancelable minimum annual payments as of June 30, 2013 are as follows:

For the remaining 6 months of the year ending December 31,	
2013	$109,658
For the year ending December 31,	
2014	140,695
2015	7,917
2016	3,619
Total	$261,889

8. Income Taxes

The provision for income taxes is summarized as follows:

Six Months Ended June 30,	**2013**	2012
Current		
Federal	**$109,334**	$ (17,303)
State	**1,967**	3,285
Total current expense (benefit)	**106,501**	(14,018)
Deferred		
Federal	**4,800**	119,131
State	**16,825**	14,217
Total deferred	**21,625**	133,348
Total Provisions for Income Taxes	**$128,126**	$119,330

A reconciliation of the statutory federal income tax rate and effective income tax rate is as follows:

Six Months Ended June 30,	**2013**	2012
Statutory federal income tax rate	**34.0%**	34.0%
Tax attributable to LLC	**(11.5)%**	0.0%
Permanent items	**1.3%**	0.4%
State income taxes	**3.7%**	5.5%
Other	**(2.2)%**	(2.3)%
Effective Income Tax Rate	**25.3%**	37.7%

Deferred income taxes arise primarily due to net operating loss carryforwards and differences in accounting for bad debts and provisions for inventory obsolescence, warranties, and legal claims.

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The components of the net deferred income tax benefit are as follows:

	June 30, 2013	December 31, 2012
Deferred income tax asset		
Federal	**$ 88,000**	$ 92,800
State	**155,926**	172,751
Total deferred income tax asset	**243,926**	265,551
Deferred income tax liability		
Federal	**(29,360)**	(29,360)
State	**(5,046)**	(5,046)
Total deferred income tax liability	**(34,406)**	(34,406)
Net deferred income tax benefit	**209,520**	231,145
Less current portion	**(103,125)**	(108,750)
Long-Term Portion	**$ 106,395**	$ 122,395

Tax effects of each type of significant item that gave rise to deferred income taxes are:

	June 30, 2013	December 31, 2012
Net operating loss carryforward	**$ 140,801**	$ 156,801
Allowance for bad debts	**15,000**	20,625
Depreciation	**(34,406)**	(34,406)
Provision for inventory obsolescence	**65,625**	65,625
Provision for legal claims	**11,250**	11,250
Provision for warranties	**11,250**	11,250
	$ 209,520	$ 231,145

FASB ASC 740-10-30 specifies that deferred income tax assets are to be reduced by a valuation allowance if it is more likely than not that some portion or all of the deferred income tax asset will not be realized. Based on management's expectation of the implementation of business or tax strategies that would generate future taxable income, a valuation allowance was not established as of June 30, 2013.

Harris Manufacturing has state net operating loss carryforwards of approximately $2.5 million, which are available to offset state income taxes in future years. The carryforwards will begin to expire in 2025.

9. Commitments and Contingencies

Harris Manufacturing may be a party to certain claims and legal actions arising in the ordinary course of business. The Companies have made provisions of approximately $30,000 as of June 30, 2013 and December 31, 2012, which management believes is adequate to cover potential claims.

The Companies provide warranties for one year from the date of sale for products it sells and for 60 days for services. The Companies have accrued future warranty costs of $30,000 as of June 30, 2013 and December 31, 2012.

Harris Manufacturing has employment agreements for two of its officers, which include non-compete arrangements until 2013. The employment agreements provide for base salaries and bonuses, as well as severance payments ranging from 6 to 12 months, upon termination for any reason other than cause. In connection with the acquisition by Orion Energy Systems, Inc. the employment agreements were canceled.

Exhibit 99.3

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The following unaudited pro forma condensed consolidated financial statements are based upon the historical financial statements of Orion Energy Systems, Inc. (“Orion”) and Harris Manufacturing, Inc. and Harris LED, LLC (collectively “Harris”) after giving effect to Orion’s acquisition of all of the issued and outstanding shares of Harris. The acquisition of Harris will expand Orion’s product lines, increase its sales force and provide increased market share, specifically in new construction, retail store fronts, commercial office and government markets. Under the terms of the acquisition, Orion paid the purchase price through a combination of $5.0 million of cash, $3.2 million, which includes $0.2 million for post-closing net working capital adjustments, in a three-year unsecured subordinated promissory note bearing interest at the rate of 4% per annum and 856,997 shares of unregistered common stock, representing a fair value on the date of issuance of $2.1 million. The purchase price is subject to potential post-closing date adjustments for certain other items. In addition, Orion may pay up to an additional $1.0 million in shares of its common stock upon Harris post-closing achievement of certain revenue milestones in calendar year 2013 and/or 2014. The acquisition was accounted for as a business combination using the acquisition method with Orion identified as the acquirer. On July 1, 2013, the acquisition of Harris was completed for total transaction consideration of $11.0 million. The $11.0 million purchase price includes $0.6 million referenced above for the shares related to the achievement of certain revenue milestones. The remaining $0.4 million of the aforementioned $1.0 million will be accounted for as compensation expense in future periods.

The unaudited pro forma condensed consolidated balance sheet as of March 31, 2013 is presented as if the acquisition of Harris occurred on March 31, 2013. The unaudited pro forma condensed consolidated statement of operations for the fiscal year ended March 31, 2013 is presented as if the acquisition of Harris had taken place on April 1, 2012 and was carried forward through to March 31, 2013.

Orion has not completed the detailed valuation analyses necessary to arrive at the final estimates of the fair market value of the assets to be acquired and the liabilities to be assumed in connection with the acquisition of Harris. The preliminary allocation of the purchase price of the acquisition (“preliminary PPA”) used in these unaudited pro forma condensed consolidated financial statements is based upon Orion’s preliminary estimates at the date of preparation of these pro forma financial statements. As a result of the finalization of this allocation after the acquisition’s final completion (“final PPA”), Orion expects to make adjustments to the preliminary PPA, some of which could be material. Differences between the preliminary PPA and the final PPA could have a material impact on Orion’s pro forma results of operations. Actual allocations will be based on the final appraisals of fair value of, among other things, identifiable net tangible and intangible assets and tax-related assets and liabilities, at the acquisition date.

The unaudited pro forma condensed consolidated financial statements are provided for informational purposes only and are not intended to represent or be indicative of the consolidated results of operations or financial position of Orion that would have been recorded had the acquisition of Harris been completed as of the dates presented, and should not be taken as representative of future results of operations or financial position of the company. The unaudited pro forma condensed consolidated statement of operations does not reflect the impact of any potential operational efficiencies, cost savings or economies of scale that Orion may achieve with respect to the combined operations of Orion and Harris and do not include costs directly attributable to the transaction that were not incurred as of March 31, 2013. Based upon information available at the date of preparation of the pro forma financial statements, these costs are estimated to be $0.3 million. The pro forma statement of operations also includes adjustments to eliminate $25,000 of non-recurring expenses related to the transaction incurred as of March 31, 2013.

The unaudited pro forma condensed consolidated financial statements should be read in conjunction with the historical consolidated financial statements and accompanying notes contained in Orion’s Annual Report on Form 10-K for the fiscal year ended March 31, 2013 and Orion’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2013 as well as the Harris information for the year ended December 31, 2012 and accompanying notes included in this Current Report on Form 8-K.

Orion Energy Systems, Inc
Unaudited Pro Forma Condensed Consolidated Balance Sheet
(in thousands, except share and per share amounts)

	3/31/2013 Historical Orion	12/31/2012 Historical Harris	Reclassifications	Pro-Forma Adjustments		Pro-Forma Combined
Assets:						
Cash and cash equivalents	$ 14,376	$ 475	$ —	$ (5,143)	(C)	$ 9,708
Short-term investments	1,021	—	—	—		1,021
Accounts receivable, net of allowance for doubtful accounts	18,397	2,535	—	—		20,932
Inventories, net	15,230	1,104	—	—		16,334
Deferred contract costs	2,118	—	—	—		2,118
Deferred income tax benefit	—	109	—	(109)	(H)	—
Due from related party	—	13	—	—		13
Prepaid expense and other current assets	2,465	67	—	—		2,532
Total current assets	53,607	4,303	—	(5,252)		52,658
Property and equipment, net	27,947	146	—	—		28,093
Long-term inventory	11,491	—	—	—		11,491
Patents and licenses, net	1,709	—	—	—		1,709
Long-term accounts receivable	5,069	—	—	—		5,069
Deferred income tax benefit	—	122	—	(122)	(H)	—
Goodwill	—	—	—	1,366	(J)	1,366
Other long-term assets	2,274	—	—	6,610	(K)	8,884
Total assets	$ 102,097	$ 4,571	$ —	$ 2,602		$ 109,270
Liabilities and Shareholders' Equity:						
Accounts payable	$ 7,773	$ 1,085	$ —	$ —		$ 8,858
Accrued expenses and other	5,457	233	—	165	(G)	5,855
Deferred revenue, current	2,946	—	—	—		2,946
Current maturities of long-term debt	2,597	804	—	(804)	(I)	2,597
Total current liabilities	18,773	2,122	—	(639)		20,256
Long-term debt, less current maturities	4,109	—	—	3,158	(D)	7,267
Deferred revenue, long-term	1,258	—	—	—		1,258
Other long-term liabilities	188	—	—	632	(L)	820
Total liabilities	24,328	2,122	—	3,151		29,601
Shareholders' Equity:						—
Common stock	—	17	—	(17)	(F)	—
Additional paid-in-capital	128,104	286	—	(286)	(F)	128,104
Member units	—	10	—	(10)	(F)	—
Treasury stock	(38,378)	—	—	2,065	(E)	(36,313)
Shareholder notes receivable	(265)	—	—	—		(265)
Retained (deficit) earnings	(11,692)	2,136	—	(2,301)	(G)	(11,857)
Total shareholders' equity	77,769	2,449	—	(549)		79,669
Total liabilities and shareholders' equity	$ 102,097	$ 4,571	$ —	$ 2,602		$ 109,270

Orion Energy Systems, Inc
Unaudited Pro Forma Condensed Consolidated Statement of Operations
(in thousands, except share and per share amounts)

	3/31/2013 Historical Orion	12/31/2012 Historical Harris	Reclassifications	Pro-Forma Adjustments	Pro-Forma Combined
Product revenue	$ 72,604	$ 14,740	$ —	$ —	$ 87,344
Service revenue	13,482	—	—	—	13,482
Total revenue	86,086	14,740	—	—	100,826
Cost of product revenue	49,551	11,253	—	—	60,804
Cost of service revenue	9,805	—	—	—	9,805
Total cost of revenue	59,356	11,253	—	—	70,609
Gross profit	26,730	3,487	—	—	30,217
Operating expenses:					—
General and administrative	13,946	1,042	(58) (A)	614 (B),(M)	15,544
Selling and marketing	17,129	1,043	(11) (A)	—	18,161
Research and development	2,259	—	69 (A)	—	2,328
Total operating expenses	33,334	2,085	—	614	36,033
(Loss) income from operations	(6,604)	1,402	—	(614)	(5,816)
Other income (expense):					—
Interest expense	(567)	(12)	—	—	(579)
Interest income	845	4	—	—	849
Total other income (expense)	278	(8)	—	—	270
(Loss) income before income tax	(6,326)	1,394	—	(614)	(5,546)
Income tax expense	4,073	500	—	(418) (N)	4,155
Net (loss) income	$ (10,399)	$ 894	$ —	$ (196)	$ (9,701)
Basic net loss per share attributable to common shareholders	$ (0.50)				$ (0.44)
Weighted-average common shares outstanding	20,996,625			856,997 (E)	21,853,622
Diluted net loss per share	$ (0.50)				$ (0.44)
Weighted-average common shares and share equivalents outstanding	20,996,625			856,997 (E)	21,853,622

Note 1. Basis of Pro Forma Presentation

The unaudited pro forma condensed consolidated financial statements are based on the historical financial statements of Orion and Harris after giving effect to the cash paid, debt incurred and the stock issued by Orion to consummate the Harris acquisition, as well as certain reclassifications and pro forma adjustments.

The unaudited pro forma condensed consolidated balance sheet assumes that the acquisition of Harris occurred on March 31, 2013. The pro forma condensed consolidated balance sheet combines the historical balances of Orion as of March 31, 2013 and Harris as of December 31, 2012, plus reclassifications and pro forma adjustments.

The unaudited pro forma condensed consolidated statement of operations assumes that the acquisition of Harris occurred on April 1, 2012. The pro forma condensed consolidated statement of operations combines the historical results of Orion for the year ended March 31, 2013 and Harris for the year ended December 31, 2012, plus reclassifications and pro forma adjustments.

The unaudited pro forma condensed consolidated financial statements assume that the acquisition is accounted for using the acquisition method of accounting for business combinations in accordance with the Financial Accounting Standards Board (Accounting Standards Codification 805) and represents the current pro forma information based upon available information of the combining companies results of operations during the periods presented. As of the date of this document, Orion has not completed the detailed valuation studies necessary to arrive at the required estimates of the fair market value of the assets of Harris to be acquired and liabilities to be assumed and the related allocations of the purchase price, nor has it identified all the adjustments necessary to conform the information of Harris to Orion’s accounting policies. However, Orion has made certain adjustments to the historical book values of the assets and liabilities of Harris, based on currently available information, to reflect certain preliminary estimates of the fair values, in preparing unaudited pro forma condensed consolidated financial data. The preliminary PPA assigns values to certain identifiable intangible assets, including developed technology, customer relationships, and trade names. Actual results may differ from this unaudited pro forma condensed consolidated information once Orion has determined the final purchase price for Harris, completed the detailed valuation studies necessary to finalize the required final PPA, and identified any necessary conforming accounting policy changes for Harris. Accordingly, the final PPA, and their effects on the results of operations, may differ materially from the preliminary PPA and the unaudited pro forma combined amounts presented herein.

The unaudited pro forma condensed consolidated financial data are presented for informational purposes only and are not necessarily indicative of the results of operations or financial position for future periods or the results that actually would have been realized had the acquisition described above been consummated as of March 31, 2013 (for the pro forma balance sheet) or April 1, 2012 (for the pro forma statement of operations).

Note 2. Purchase Price and Preliminary Purchase Price Allocation

The total purchase price paid as consideration for all outstanding shares was $10,998 (as further detailed below), and includes the cash, debt incurred and stock consideration paid to Harris shareholders.

The purchase price (based upon Orion’s closing share price of $2.41 as of July 1, 2013) is approximately $10,998, including an estimate for the additional performance shares based upon the achievement of certain revenue milestones during calendar 2013 and/or 2104, and is comprised of:

Cash consideration paid	$ 5,143
Promissory note	3,158
Share consideration based on issuance of 856,997 shares of Orion Common Stock	2,065
Share consideration based on issuance of 233,994 shares of Orion Common Stock	632
Preliminary purchase price	$10,998

The purchase price will be allocated to tangible and identifiable intangible assets of Harris acquired and liabilities assumed, based on their estimated fair values as of July 1, 2013 (the acquisition date). The excess of the purchase price over the net tangible and identifiable intangible assets will be recorded as goodwill. Based upon a preliminary valuation, the preliminary purchase price would be allocated as follows:

Current assets	$ 4,194
Non-current assets	146
Intangible assets	6,610
Goodwill	1,366
Total assets acquired	12,316
Liabilities assumed	(1,318)
Net assets acquired	$10,998

The preliminary allocation of the purchase price is based upon management's estimates. These estimates and assumptions are subject to change upon final valuation.

Cash and other net tangible assets/liabilities: Cash and other net tangible assets were recorded at their respective carrying amounts and, for the purpose of these unaudited pro forma condensed consolidated statements only, the carrying value of these assets/liabilities has been assumed to approximate their fair values and should be treated as preliminary values.

Goodwill: Goodwill represents the excess of the preliminary purchase price over the estimated fair value of tangible and identifiable intangible assets acquired. Goodwill includes amounts assignable to acquired workforce which are also intangible assets not subject to amortization.

Trademarks and trade names: Trademarks and trade names represent the fair value of marketing-related acquired assets. These are classified as intangible assets not subject to amortization.

Identifiable intangible assets subject to amortization: Identifiable intangible assets acquired include developed technology, customer relationships, and customer relationships. Customer relationships represent the underlying relationships and agreements with customers of Harris.

The fair value of intangible assets is based on management's preliminary valuation, and is subject to change based on review by independent valuation professionals. Estimated useful lives for the purposes of these pro forma statements are based on historical experience.

Total Consideration	$10,998
Preliminary allocation of purchase price:	
Current assets	4,194
Non-current assets	146
Developed technology	910
Customer relationships	3,700
Trademarks and trade names	1,900
Non-compete	100
Goodwill (including acquired workforce)	1,366
Liabilities assumed	(1,318)
Total purchase price	$10,998

Pre-acquisition contingencies: Orion has currently not identified any pre-acquisition contingencies where a liability is probable and the amount of the liability can be reasonably estimated. If information becomes available prior to the end of the purchase price measurement period, which would indicate that a liability which existed at the acquisition date is probable and the amount can be reasonably estimated, such items will be included in the purchase price allocation and result in additional goodwill.

Note 3. Reclassifications and Pro Forma Adjustments

The following reclassifications have been reflected in the unaudited pro forma condensed financial statements:

(A) To reclassify Harris research & development expenses to conform to Orion's presentation:

Operating Costs and Expenses:	
Selling and marketing	$(11)
General and administrative	(58)
Research and development	69

(B) To record the elimination of non-recurring acquisition related expenses incurred $ 25

(C) Represents the total cash consideration paid by Orion upon the consummation of the acquisition of the stockholders of Harris, the use of Harris cash to eliminate the Harris line of credit and a reduction in the cash consideration from Orion for the elimination of the remaining line of credit balance:

To reduce the Harris cash balance used to reduce the line of credit	$ (475)
To eliminate the remaining line of credit balance with a reduction in the cash acquisition cost	
Cash acquisition cost	(5,000)
Less remaining line of credit balance	332
Net reduction in cash	$(5,143)

(D) Represents the issuance of debt upon the consummation of the acquisition of Harris.

(E) To record the issuance of 856,997 Orion common shares issued out of treasury stock as part of the acquisition of Harris.

(F) To record the elimination of the equity interests of Harris in connection with the consummation of the acquisition:

To eliminate the historical common stock of Harris	$ (17)
To eliminate the historical member units of Harris	(10)
To eliminate the historical APIC of Harris	(286)
	$(313)

(G) To record the elimination of historical retained earnings of Harris and record Orion's non-recurring acquisition related expenses incurred:

To eliminate the historical retained earnings of Harris	$(2,136)
To record acquisition related transaction costs incurred at closing	(165)
	$(2,301)

(H) To record the elimination of the historical deferred tax assets of Harris.

(I) To record the elimination of the line of credit of Harris upon the consummation of the acquisition of Harris.

(J) To record the preliminary valuation of goodwill.

(K) To record intangible assets in connection with the acquisition of Harris:

Customer relationships	$3,700
Trademarks and trade names	1,900
Developed technologies	910
Non-compete/employment agreements	100
Total Intangible assets:	$6,610

(L) To record the estimated performance share calculation based upon the achievement of revenue targets by Harris for 2013 and 2014:

To record the liability for the issuance of 262,396 Orion common shares at an average price of $2.41

(M) To record amortization related to the intangible assets recognized at the time of the acquisition of Harris. The useful lives of the intangible assets range from five to ten years and are being amortized on a weighted average over the assets economic useful life.
$639

(N) To eliminate the Harris federal income tax expense due to the consolidated pro-forma loss for 2012.