

NOTE 7 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following (in thousands):

	February 28,	
	2019	2018
Leasehold improvements	\$ 3,522	\$ 3,157
LoJack system components and law enforcement tracking units	20,326	20,558
Plant equipment and tooling	13,078	16,842
Office equipment, computers and furniture	11,553	14,206
Software	31,349	31,427
	79,828	86,190
Less accumulated depreciation and amortization	(58,641)	(69,585)
	21,187	16,605
Fixed assets not yet in service	5,836	4,657
	<u>\$ 27,023</u>	<u>\$ 21,262</u>

Depreciation expense was \$8.6 million, \$8.0 million, and \$8.4 million in fiscal years ended February 28, 2019, 2018 and 2017, respectively.

Fixed assets not yet in service consist primarily of capitalized internal-use software and certain tooling and other equipment that have not been placed into service.

NOTE 8 – GOODWILL AND OTHER INTANGIBLE ASSETS

Changes in goodwill are as follows (in thousands):

	Year Ended February 28,	
	2019	2018
Balance at beginning of period	\$ 72,980	\$ 72,980
Acquisitions (Note 2)	7,521	-
Other (1)	304	-
Balance at end of period	<u>\$ 80,805</u>	<u>\$ 72,980</u>

(1) Amounts represent certain immaterial adjustments related to the LoJack acquisition.