

BIOLASE, INC  
Form 10-Q  
August 09, 2013

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 June 30, 2013

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 000-19627

BIOLASE, INC.

(Exact name of registrant as specified in its charter)

Delaware

87-0442441

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(State or other jurisdiction (I.R.S. Employer  
of incorporation or organization) Identification No.)  
4 Cromwell

Irvine, California 92618

(Address of principal executive offices, including zip code)

(949) 361-1200

(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 (§ 232.405 of this chapter) 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 the definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" 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

The number of shares of the issuer's common stock, \$0.001 par value per share, outstanding, as of August 2, 2013, was 33,960,650 shares.

BIOLASE, INC.

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## PART I. FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

## BIOLASE, INC.

## CONSOLIDATED BALANCE SHEETS (Unaudited)

(in thousands, except per share data)

	June 30, 2013	December 31, 2012
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 2,101	\$ 2,543
Accounts receivable, less allowance of \$380 in 2013 and \$304 in 2012	11,477	11,680
Inventory, net	12,559	11,142
Prepaid expenses and other current assets	1,341	1,552
Total current assets	27,478	26,917
Property, plant, and equipment, net	1,581	1,509
Intangible assets, net	217	300
Goodwill	2,926	2,926
Deferred tax asset	16	16
Other assets	245	305
Total assets	\$ 32,463	\$ 31,973
<b>LIABILITIES AND STOCKHOLDERS EQUITY (DEFICIT)</b>		
Current liabilities:		
Lines of credit	\$ 5,992	\$ 1,637
Accounts payable	9,299	7,663
Accrued liabilities	5,084	6,267
Customer deposits	174	582
Deferred revenue, current portion	3,123	3,226
Total current liabilities	23,672	19,375
Deferred tax liabilities	591	663
Other liabilities, long-term	34	141
Total liabilities	24,297	20,179
Commitments and contingencies (Notes 8, 9, and 13)		
Stockholders' equity (deficit):		
Preferred stock, par value \$0.001, 1,000 shares authorized, no shares issued and outstanding	34	34

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Common stock, par value \$0.001, 50,000 shares authorized; 33,958 and 33,248 shares issued in 2013 and 2012, respectively; and 31,995 and 31,284 shares outstanding in 2013 and 2012, respectively

Additional paid-in capital	142,383	140,747
Accumulated other comprehensive loss	(385)	(320)
Accumulated deficit	(117,467)	(112,268)
	24,565	28,193
Treasury stock (cost of 1,964 shares repurchased)	(16,399)	(16,399)
Total stockholders' equity	8,166	11,794
Total liabilities and stockholders' equity	\$ 32,463	\$ 31,973

See accompanying notes to consolidated financial statements.

## BIOLASE, INC.

## CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS (Unaudited)

(in thousands, except per share data)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2013	2012	2013	2012
Products and services revenue	\$ 14,208	\$ 12,125	\$ 28,697	\$ 24,437
License fees and royalty revenue	39	50	147	58
Net revenue	14,247	12,175	28,844	24,495
Cost of revenue	8,686	6,675	17,489	13,188
Gross profit	5,561	5,500	11,355	11,307
Operating expenses:				
Sales and marketing	4,138	3,720	9,390	