

TRANSGENOMIC INC
Form 10-Q
August 08, 2013
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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: 000-30975

TRANSGENOMIC, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

911789357
(I.R.S. Employer Identification No.)

12325 Emmet Street, Omaha, Nebraska
(Address of principal executive offices)
(402) 452-5400
(Registrant's telephone number, including area code)

68164
(Zip 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 definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

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 August 7, 2013, the number of shares of common stock outstanding was 88,245,725.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

TRANSGENOMIC, INC. AND SUBSIDIARY
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars in thousands except per share data)

	June 30, 2013 (unaudited)	December 31, 2012
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$6,388	\$4,497
Accounts receivable, net	8,039	8,081
Inventories, net	4,407	5,092
Other current assets	1,083	1,047
Total current assets	19,917	18,717
PROPERTY AND EQUIPMENT:		
Equipment	10,993	10,682
Furniture, fixtures & leasehold improvements	3,861	3,848
	14,854	14,530
Less: accumulated depreciation	(12,703) (12,340
	2,151	2,190
OTHER ASSETS:		
Goodwill	6,918	6,918
Intangibles, net	9,941	10,764
Other assets	436	202
	\$39,363	\$38,791
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current maturities of long term debt	\$727	\$6,171
Accounts payable	1,748	2,052
Accrued compensation	997	1,121
Accrued expenses	2,286	3,686
Deferred revenue	1,089	1,171
Other liabilities	1,067	1,067
Total current liabilities	7,914	15,268
LONG TERM LIABILITIES:		
Long term debt, less current maturities	7,273	—
Common stock warrant liability	300	900
Accrued preferred stock dividend	1,623	1,260
Other long-term liabilities	1,235	1,089
Total liabilities	18,345	18,517
STOCKHOLDERS' EQUITY:		
Series A preferred stock, \$.01 par value, 15,000,000 shares authorized, 2,586,205 shares issued and outstanding	26	26
Common stock, \$.01 par value, 150,000,000 shares authorized, 88,245,725 and 71,645,725 shares issued and outstanding, respectively	887	721
Additional paid-in capital	178,448	170,881
Accumulated other comprehensive income	262	435
Accumulated deficit	(158,605) (151,789

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Total stockholders' equity	21,018	20,274
	\$39,363	\$38,791

See notes to unaudited condensed consolidated financial statements.

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TRANSGENOMIC, INC. AND SUBSIDIARY
 UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
 (Dollars in thousands except per share data)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2013	2012	2013	2012
NET SALES	\$7,306	\$9,093	\$14,680	\$16,299
COST OF GOODS SOLD	3,896	4,531	7,589	8,633
Gross profit	3,410	4,562	7,091	7,666
OPERATING EXPENSES:				