

ANIKA THERAPEUTICS INC
Form 10-Q
August 07, 2007

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2007

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 000-21326

Anika Therapeutics, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Massachusetts
(State or Other Jurisdiction of
Incorporation or Organization)

04-3145961
(I.R.S. Employer Identification No.)

160 New Boston Street, Woburn, Massachusetts
(Address of Principal Executive Offices)

01801
(Zip Code)

Registrant's Telephone Number, Including Area Code: **(781) 932-6616**

Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report.

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 last 90 days. Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definitions of accelerated filer and large accelerated filer in Rule 12b-2 of the Securities Exchange Act. (Check One):

Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by checkmark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

Edgar Filing: ANIKA THERAPEUTICS INC - Form 10-Q

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the last practicable date. At July 25, 2007 there were 11,129,959 outstanding shares of Common Stock, par value \$.01 per share.

PART I: FINANCIAL INFORMATION**ITEM 1: FINANCIAL STATEMENTS****Anika Therapeutics, Inc. and Subsidiary****Consolidated Balance Sheets**

(unaudited)

	June 30, 2007	December 31, 2006
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 44,751,227	\$ 47,167,432
Short-term investment	3,515,949	
Accounts receivable, net of reserves of \$49,724 at June 30, 2007 and December 31, 2006	6,751,264	3,509,508
Inventories	5,537,691	5,395,596
Current portion deferred income taxes	1,312,901	1,312,901
Prepaid expenses and other receivables	427,665	220,445
Total current assets	62,296,697	57,605,882
Property and equipment, at cost	16,054,707	13,255,240
Less: accumulated depreciation	(10,573,883)	(10,237,232)
	5,480,824	3,018,008
Long-term deposits and other	399,300	193,050
Deferred income taxes	7,484,459	7,296,689
Total Assets	\$ 75,661,280	\$ 68,113,629
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities:		
Accounts payable	\$ 2,616,131	\$ 965,180
Accrued expenses	1,496,690	1,573,835
Deferred revenue	3,135,718	2,905,099
Income taxes payable	264,257	17,253
Total current liabilities	7,512,796	5,461,367
Other long-term liabilities	305,195	64,525
Long-term deferred revenue	17,499,712	17,099,712
Commitments and contingencies (Note 8)		
Stockholders' equity		
Preferred stock, \$.01 par value; 1,250,000 shares authorized, no shares issued and outstanding at June 30, 2007 and December 31, 2006		
Common stock, \$.01 par value; 30,000,000 shares authorized, 11,128,703 shares issued and outstanding at June 30, 2007, 10,772,654 shares issued and outstanding at December 31, 2006	111,287	107,727
Additional paid-in-capital	39,549,132	37,262,768
Retained earnings	10,683,158	8,117,530
Total stockholders' equity	50,343,577	45,488,025
Total Liabilities and Stockholders' Equity	\$ 75,661,280	\$ 68,113,629

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Anika Therapeutics, Inc. and Subsidiary**Consolidated Statements of Operations**

(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
Product revenue	\$ 6,331,966	\$ 7,115,484	\$ 11,706,004	\$ 13,381,318
Licensing, milestone and contract revenue	767,596	682,557	1,531,604	1,369,684
Total revenue	7,099,562	7,798,041	13,237,608	14,751,002
Operating expenses:				
Cost of product revenue	3,023,781	2,890,904	5,516,703	5,938,722
Research & development	996,051	1,129,877	1,843,392	2,206,669
Selling, general & administrative	1,716,099	1,976,600	3,291,149	3,765,599
Total operating expenses	5,735,931	5,997,381	10,651,244	11,910,990
Income from operations	1,363,631	1,800,660	2,586,364	2,840,012
Interest income, net	575,831	489,772	1,142,608	950,846
Income before income taxes	1,939,462	2,290,432	3,728,972	3,790,858
Provision for income taxes	574,611	938,367	1,163,344	1,558,043
Net income	\$ 1,364,851	\$ 1,352,065	\$ 2,565,628	\$ 2,232,815
Basic net income per share:				
Net income	\$ 0.12	\$ 0.13	\$ 0.23	\$ 0.21
Basic weighted average common shares outstanding	11,018,053	10,601,336	10,949,629	10,564,902
Diluted net income per share:				
Net income	\$ 0.12	\$ 0.12	\$ 0.23	\$ 0.20