

XTENT INC
Form 10-Q
May 13, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 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 March 31, 2008

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 001-33282

XTENT, INC.

(Exact Name of Registrant as Specified in Its Charter)

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Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

41-2047573
(I.R.S. Employer
Identification No.)

125 Constitution Drive

Menlo Park, California 94025-1118

(Address of principal executive offices, including Zip Code)

(650) 475-9400

(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 is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions 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

As of April 30, 2008, there were 23,075,892 shares of XTENT, Inc. common stock outstanding.

XTENT, INC.

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PART I: FINANCIAL INFORMATION**ITEM 1. CONDENSED FINANCIAL STATEMENTS (UNAUDITED)****XTENT, INC.****(a development stage company)****CONDENSED BALANCE SHEETS****(unaudited; in thousands, except per share amounts)**

	March 31, 2008	December 31, 2007 (1)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 16,216	\$ 13,366
Short-term investments	30,278	44,394
Prepaid expenses and other current assets	1,424	905
Total current assets	47,918	58,665
Property and equipment, net	3,582	3,601
Other non-current assets	149	149
Total assets	\$ 51,649	\$ 62,415
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities:		
Accounts payable	\$ 2,040	\$ 1,960
Accrued liabilities	2,547	2,124
Total current liabilities	4,587	4,084
Commitments and contingencies (note 6)		
Stockholders' Equity:		
Common stock: \$0.001 par value; 100,000 shares authorized at March 31, 2008 and December 31, 2007; 23,062 and 23,015 shares issued and outstanding at March 31, 2008 and December 31, 2007, respectively	23	23
Additional paid-in capital	152,491	151,496
Deferred stock-based compensation	(266)	(364)
Accumulated other comprehensive income	131	36
Deficit accumulated during development stage	(105,317)	(92,860)
Total stockholders' equity	47,062	58,331
Total liabilities and stockholders' equity	\$ 51,649	\$ 62,415

(1) The condensed balance sheet at December 31, 2007 has been derived from the audited financial statements at that date, but does not include all of the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements.

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

XTENT, INC.

(a development stage company)

CONDENSED STATEMENTS OF OPERATIONS

(unaudited; in thousands, except per share amounts)

	Three Months Ended March 31,		Cumulative Period from June 13, 2002 (Date of Inception) to March 31, 2008
	2008	2007	
Operating expenses:			
Research and development (1)	\$ 9,421	\$ 6,223	\$ 83,835
General and administrative (1)	3,442	2,461	26,985
Total operating expenses	12,863	8,684	110,820
Loss from operations	(12,863)	(8,684)	(110,820)
Interest and other income, net	406	749	5,503
Net loss	(12,457)	(7,935)	(105,317)
Deemed dividend related to beneficial conversion feature of redeemable convertible preferred stock			(13,095)
Net loss attributable to common stockholders	\$ (12,457)	\$ (7,935)	\$ (118,412)
Net loss per share attributable to common stockholders - basic and diluted	\$ (0.54)	\$ (0.55)	
Weighted-average common shares outstanding - basic and diluted	22,923	14,482	

(1) Includes the following stock-based compensation charges:

Research and development	\$ 388	\$ 388	\$ 3,449
General and administrative	\$ 650	\$ 420	\$ 3,804

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

XTENT, INC.

(a development stage company)

CONDENSED STATEMENTS OF CASH FLOWS

(unaudited; in thousands)

	Three Months Ended March 31,		Cumulative Period from June 13, 2002 (Date of Inception) to March 31, 2008
	2008	2007	
Cash flows from operating activities:			
Net loss	\$ (12,457)	\$ (7,935)	\$ (105,317)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization	321	268	3,038
Amortization of securities discount	(192)	(93)	(1,897)
Gain on sale of investments	(26)		(6)
Loss on disposal of property and equipment			163
Stock-based compensation expense	1,038	808	7,253
Stock issued in exchange for services			231
Changes in operating assets and liabilities:			
Prepaid expenses and other current assets	(732)	(447)	(1,414)
Accrued interest receivable on securities	213	(229)	(159)
Accounts payable	80	944	1,925
Accrued liabilities	446	475	2,619
Net cash used in operating activities	(11,309)	(6,209)	(93,564)
Cash flows from investing activities:			
Purchase of investments	(5,459)	(49,372)	(123,697)
Proceeds from maturities of investments	9,925		81,504
Proceeds from sale of investments	9,963		13,949
Purchase of property and equipment	(304)	(432)	(6,780)
Proceeds from sale of property and equipment	2		20
Net cash provided by (used in) investing activities	14,127	(49,804)	(35,004)
Cash flows from financing activities:			
Proceeds from issuance of redeemable convertible preferred stock, net of issuance costs			75,592
Proceeds from initial public offering, net of offering costs		69,112	68,237
Principal payments on capital lease obligations			(23)
Proceeds from issuance of common stock and exercise of stock options	32	38	978
Net cash provided by financing activities	32	69,150	144,784
Net increase in cash and cash equivalents	2,850	13,137	16,216
Cash and cash equivalents at beginning of period	13,366	23,105	
Cash and cash equivalents at end of period	\$ 16,216	\$ 36,242	\$ 16,216

Supplemental disclosure of noncash investing and financing activities: