

MITEK SYSTEMS INC
Form 10-Q
May 04, 2016

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 March 31, 2016

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 001-35231

MITEK SYSTEMS, INC.

(Exact name of registrant as specified in its charter)

Delaware (State or Other Jurisdiction of Incorporation or Organization)	87-0418827 (I.R.S. Employer Identification No.)
8911 Balboa Avenue San Diego, California (Address of Principal Executive Offices)	92123 (Zip Code)

(858) 309-1700

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(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 website, 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. (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

There were 32,214,857 shares of the registrant's common stock outstanding as of April 28, 2016.

MITEK SYSTEMS, INC.

FORM 10-Q

For The Quarterly Period Ended March 31, 2016

INDEX

PART I. FINANCIAL INFORMATION

Item 1.	<u>Financial Statements</u>	1
	<u>Consolidated Balance Sheets at March 31, 2016 (Unaudited) and September 30, 2015</u>	1
	<u>Consolidated Statements of Operations and Other Comprehensive Income (Unaudited) for the Three and Six Months Ended March 31, 2016 and March 31, 2015</u>	2
	<u>Consolidated Statements of Cash Flows (Unaudited) for the Six Months Ended March 31, 2016 and March 31, 2015</u>	3
	<u>Notes to Consolidated Financial Statements (Unaudited)</u>	4
Item 2.	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	18
Item 3.	<u>Quantitative and Qualitative Disclosures About Market Risk</u>	24
Item 4.	<u>Controls and Procedures</u>	25

PART II. OTHER INFORMATION

Item 1.	<u>Legal Proceedings</u>	26
Item 1A.	<u>Risk Factors</u>	26
Item 2.	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	26
Item 3.	<u>Defaults Upon Senior Securities</u>	26
Item 4.	<u>Mine Safety Disclosures</u>	26
Item 5.	<u>Other Information</u>	26
Item 6.	<u>Exhibits</u>	27
	<u>Signatures</u>	28

PART I

FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

MITEK SYSTEMS, INC.

CONSOLIDATED BALANCE SHEETS

(amounts in thousands except share data)

	March 31, 2016	September 30, 2015
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 13,226	\$ 2,753
Short-term investments	14,935	23,921
Accounts receivable, net	2,492	3,937
Other current assets	1,099	798
Total current assets	31,752	31,409
Long-term investments	3,753	-
Property and equipment, net	867	975
Intangible assets, net	3,025	3,397
Goodwill	2,806	2,873
Other non-current assets	92	92
Total assets	\$ 42,295	\$ 38,746
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 1,608	\$ 1,538
Accrued payroll and related taxes	1,950	2,061
Deferred revenue, current portion	3,770	3,516
Other current liabilities	361	289
Total current liabilities	7,689	7,404
Deferred revenue, non-current portion	175	222
Other non-current liabilities	786	687
Total liabilities	8,650	8,313
Stockholders' equity:		
Preferred stock, \$0.001 par value, 1,000,000 shares authorized, none issued and outstanding	-	-
Common stock, \$0.001 par value, 60,000,000 shares authorized, 32,214,855 and	32	32

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31,721,114 issued and outstanding, as of March 31, 2016 and September 30, 2015, respectively

Additional paid-in capital	66,979	63,905
Accumulated other comprehensive loss	(125)	(3)
Accumulated deficit	(33,241)	(33,501)
Total stockholders' equity	33,645	30,433
Total liabilities and stockholders' equity	\$ 42,295	\$ 38,746

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

1

MITEK SYSTEMS, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND OTHER COMPREHENSIVE INCOME

(Unaudited)

(amounts in thousands except for share data)

	Three Months Ended		Six Months Ended	
	March 31,		March 31,	
	2016	2015	2016	2015
Revenue				
Software	\$5,557	\$3,993	\$10,286	\$7,740
Services	2,965	1,679	5,640	3,322
Total revenue	8,522	5,672	15,926	11,062
Operating costs and expenses				
Cost of revenue-software	132	225	522	439
Cost of revenue-services	588	332	1,140	616
Selling and marketing	2,553	1,429	5,016	2,867
Research and development	1,814	1,388	3,520	2,543
General and administrative	2,263	1,812	4,355	3,977
Acquisition-related costs and expenses	541			