

Anika Therapeutics, Inc.  
Form 10-Q  
May 04, 2015

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, 2015

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.)

32 Wiggins Avenue, Bedford, Massachusetts  
(Address of Principal Executive Offices)

01730  
(Zip Code)

Registrant's Telephone Number, Including Area Code: (781) 457-9000

Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report: N/A

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

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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 <input type="radio"/>	Accelerated filer <input checked="" type="checkbox"/>	Non-accelerated filer <input type="radio"/> (Do not check if a smaller reporting company)	Smaller reporting company <input type="radio"/>
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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 April 30, 2015 there were 14,626,730 outstanding shares of Common Stock, par value \$.01 per share.

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ANIKA THERAPEUTICS, INC.  
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References in this Quarterly Report on Form 10-Q to “we,” “us,” “our,” “our company,” and other similar references refer to Anika Therapeutics, Inc. and its subsidiaries unless the context otherwise indicates.

ANIKA, ANIKA THERAPEUTICS, CINGAL, HYAFF, HYVISC, MONOVISC, and ORTHOVISC are our registered trademarks. This Quarterly Report on Form 10-Q also contains registered marks, trademarks, and trade names that are the property of other companies.

## PART I: FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

Anika Therapeutics, Inc. and Subsidiaries

Condensed Consolidated Balance Sheets

(unaudited)

ASSETS	March 31, 2015	December 31, 2014
Current assets:		
Cash and cash equivalents	\$ 99,802,205	\$ 100,155,864
Investments	12,500,000	6,750,000
Accounts receivable, net of reserves of \$130,877 and \$146,618 at March 31, 2015 and December 31, 2014, respectively	16,025,212	17,152,028
Inventories	12,515,787	12,406,776
Prepaid income taxes	2,555,436	412,301
Current portion deferred income taxes	1,487,846	1,188,768
Prepaid expenses and other	1,034,597	959,305
Total current assets	145,921,083	139,025,042
Property and equipment, at cost	53,666,109	53,619,589
Less: accumulated depreciation	(22,476,104 )	(21,950,706 )
	31,190,005	31,668,883
Long-term deposits and other	69,010	69,042
Intangible assets, net	13,061,379	14,894,710
Goodwill	7,443,429	8,338,699
Total assets	\$ 197,684,906	\$ 193,996,376
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 1,774,812	\$ 1,201,226
Accrued expenses	4,242,979	4,747,526
Deferred revenue	139,535	24,510
Total current liabilities	6,157,326	5,973,262
Other long-term liabilities	829,302	893,935
Long-term deferred revenue	85,510	102,192
Deferred tax liability	8,797,200	8,929,890
Commitments and contingencies (Note 10)		
Stockholders' equity:		
Preferred stock, \$.01 par value; 1,250,000 shares authorized, no shares issued and outstanding at March 31, 2015 and December 31, 2014, respectively	-	-
Common stock, \$.01 par value; 30,000,000 shares authorized, 15,003,069 and 14,851,703 shares issued and outstanding at March 31, 2015 and December 31, 2014, respectively	150,030	148,517
Additional paid-in-capital	79,990,228	77,539,699
Accumulated other comprehensive loss	(6,743,928 )	(4,494,800 )
Retained earnings	108,419,238	104,903,681
Total stockholders' equity	181,815,568	178,097,097
Total Liabilities and Stockholders' Equity	\$ 197,684,906	\$ 193,996,376

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



ITEM 1. FINANCIAL STATEMENTS  
Anika Therapeutics, Inc. and Subsidiaries  
Condensed Consolidated Statements of Operations and Comprehensive Income  
(unaudited)

	Three Months Ended March 31,	
	2015	2014
Product revenue	\$ 15,514,682	\$ 14,351,405
Licensing, milestone and contract revenue	5,642	19,658,882
Total revenue	15,520,324	34,010,287
Operating expenses:		
Cost of product revenue	4,313,440	4,361,019
Research & development	2,097,762	2,287,715
Selling, general & administrative	3,604,661	3,490,985
Total operating expenses	10,015,863	10,139,719
Income from operations	5,504,461	23,870,568
Interest income, net	23,723	467
Income before income taxes	5,528,184	23,871,035
Provision for income taxes	2,012,627	8,840,782
Net income	\$ 3,515,557	\$ 15,030,253
Basic net income per share:		
Net income	\$ 0.24	\$ 1.04
Basic weighted average common shares outstanding	14,905,322	14,461,367
Diluted net income per share:		
Net income	\$ 0.23	