

CUTERA INC
Form 10-Q
August 07, 2018

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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, 2018

OR

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

For the transition period _____ to _____. Commission file number: 000-50644

Cutera, Inc.

(Exact name of registrant as specified in its charter)

Delaware

77-0492262

(State or other jurisdiction of incorporation or organization) (I.R.S. employer identification no.)

3240 Bayshore Blvd., Brisbane, California 94005

(Address of principal executive offices)

(415) 657-5500

(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 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, a smaller reporting company or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act (check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the

Exchange Act.

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

The Registrant had 13,836,800 shares of common stock, \$0.001 par value per share, outstanding as of July 31, 2018.

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Table of Contents**PART I. FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS****CUTERA, INC.****CONDENSED CONSOLIDATED BALANCE SHEETS**

(in thousands, except share and per share data)

(unaudited)

	June 30, 2018	December 31, 2017
Assets		
Current assets:		
Cash and cash equivalents	\$18,432	\$ 14,184
Marketable investments	10,573	21,728
Accounts receivable, net	22,122	20,777
Inventories	30,138	28,782
Other current assets and prepaid expenses	3,469	2,903
Total current assets	84,734	88,374
Property and equipment, net	2,632	2,096
Deferred tax asset	21,219	19,055
Goodwill	1,339	1,339
Other long-term assets	5,807	374
Total assets	\$115,731	\$ 111,238
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$10,743	\$ 7,002
Accrued liabilities	22,756	26,848
Deferred revenue	9,288	9,461
Total current liabilities	42,787	43,311
Deferred revenue, net of current portion	2,519	2,195
Income tax liability	386	379
Other long-term liabilities	665	460

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Total liabilities	46,357	46,345
Commitments and Contingencies (Note 14)		
Stockholders' equity:		
Common stock, \$0.001 par value; authorized: 50,000,000 shares; issued and outstanding: 13,824,252 and 13,477,973 shares at June 30, 2018 and December 31, 2017, respectively	14	13
Additional paid-in capital	66,291	62,025
Accumulated deficit	3,156	2,947
Accumulated other comprehensive loss	(87)	(92)
Total stockholders' equity	69,374	64,893
Total liabilities and stockholders' equity	\$115,731	\$111,238

The accompanying notes are an integral part of these unaudited Condensed Consolidated Financial Statements.

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	Three Months Ended June 30, 2018		Six Months Ended June 30, 2017	
	2018	2017	2018	2017
Net revenue:				
Products	\$37,650	\$31,727	\$66,914	\$56,202
Service	4,903	4,662	9,764	9,486
Total net revenue	42,553	36,389	76,678	65,688
Cost of revenue:				
Products	17,045	13,840	30,967	24,984
Service	3,131	1,503	6,000	4,137
Total cost of revenue	20,176	15,343	36,967	29,121
Gross profit	22,377	21,046	39,711	36,567
Operating expenses:				
Sales and marketing	15,535	12,787	28,623	23,560
Research and development	4,095	2,981	7,651	5,926
General and administrative	4,902	3,548	10,341	