

XOMA Corp
Form 10-Q
August 07, 2013

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, 2013

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 No. 0-14710

XOMA Corporation
(Exact name of registrant as specified in its charter)

Delaware 52-2154066
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

2910 Seventh Street, Berkeley, (510) 204-7200
California 94710
(Address of principal executive offices, including zip code) (Telephone Number)

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 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 Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

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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 of 1934). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

<u>Class</u>	<u>Outstanding at August 5, 2013</u>
Common Stock, \$0.0075 par value	83,158,482

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PART I - FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

XOMA CORPORATION

CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands, except share and per share amounts)

	June 30, 2013 (unaudited)	December 31, 2012 (Note 1)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 57,934	\$ 45,345
Short-term investments	-	39,987
Trade and other receivables, net	7,293	8,249
Prepaid expenses and other current assets	3,193	2,256
Total current assets	68,420	95,837
Property and equipment, net	7,308	8,143
Other assets	1,219	1,696
Total assets	\$ 76,947	\$ 105,676
LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY		
Current liabilities:		
Accounts payable	\$ 5,899	\$ 3,867
Accrued and other liabilities	6,629	13,045
Deferred revenue	3,618	3,409
Interest bearing obligation – current	4,085	3,391
Accrued Interest on interest bearing obligations – current	1,694	121
Total current liabilities	21,925	23,833
Deferred revenue – long-term	5,392	6,315
Interest bearing obligations – long-term	36,874	37,653
Contingent warrant liabilities	29,618	15,001
Other liabilities - long term	-	1,407
Total liabilities	93,809	84,209
Stockholders' (deficit) equity:		
Common stock, \$0.0075 par value, 138,666,666 shares authorized, 83,019,347 and 82,447,274 shares outstanding at June 30, 2013 and December 31, 2012, respectively	619	615
Additional paid-in capital	981,772	977,962
Accumulated comprehensive income	-	8
Accumulated deficit	(999,253)	(957,118)
Total stockholders' (deficit) equity	(16,862)	21,467
Total liabilities and stockholders' (deficit) equity	\$ 76,947	\$ 105,676

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

(Note 1) The condensed consolidated balance sheet as of December 31, 2012 has been derived from the audited consolidated financial statements as of that date included in the Company's Annual Report on Form 10-K for the year ended December 31, 2012.

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XOMA CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(unaudited)

(in thousands, except per share amounts)

	Three months ended June 30,		Six months ended June 30,	
	2013	2012	2013	2012
Revenues:				
License and collaborative fees	\$ 605	\$ 2,525	\$ 1,003	\$ 3,538
Contract and other	6,336	6,181	15,133	15,026
Net product sales	210	569	469	576
Total revenues	7,151	9,275	16,605	19,140
Operating expenses:				
Research and development	17,049	18,441	33,640	34,211
Selling, general and administrative	4,081	3,567	8,203	8,246
Restructuring	79	676	97	4,453
Cost of sales	21	81	67	82
Total operating expenses	21,230	22,765	42,007	46,992
Loss from operations	(14,079)	(13,490)	(25,402)	(27,852)
Other income (expense):				
Interest expense	(1,164)	(1,025)	(2,336)	(2,068)
Other (expense) income	(224)	542	224	(122)
Revaluation of contingent warrant liabilities	(1,781)	(2,182)	(14,621)	(16,538)
Net loss	\$ (17,248)	\$ (16,155)	\$ (42,135)	\$ (46,580)