

MICROFLUIDICS INTERNATIONAL CORP
Form 10-Q
May 17, 2010
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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 March 31, 2010

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: 0-11625

MICROFLUIDICS INTERNATIONAL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

04-2793022

(I.R.S. Employer Identification No.)

30 Ossipee Road, Newton, Massachusetts

(Address of principal executive offices)

02464

(Zip Code)

(617) 969-5452

(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, 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)

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 May 12, 2010, 10,412,282 shares of the registrant's Common Stock, par value \$.01 per share, were outstanding.

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MICROFLUIDICS INTERNATIONAL CORPORATION

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	March 31, 2010	December 31, 2009
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,157	\$ 2,185
Accounts receivable, net of allowance of \$44 as of March 31, 2010 and December 31, 2009	2,486	2,571
Inventories	2,714	2,916
Prepaid expenses and other current assets	359	280
Total current assets	7,716	7,952
Property and equipment, net	821	891
Other non-current assets	489	535
Total assets	\$ 9,026	\$ 9,378
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities:		
Accounts payable	\$ 822	\$ 545
Accrued expenses	1,513	1,727
Customer advances	531	1,137
Total current liabilities	2,866	3,409
Long-term liabilities		
Convertible debt	4,693	4,679
Total liabilities	7,559	8,088
Stockholders equity:		
Common stock; \$.01 par value; 30,000,000 and 30,000,000 shares authorized; 10,647,728 and 10,630,228 shares issued; 10,412,282 and 10,394,782 shares outstanding as of March 31, 2010 and December 31, 2009, respectively	106	106
Additional paid-in capital	18,325	18,254
Accumulated deficit	(16,295)	(16,401)
Treasury stock, 235,446 shares, at cost, as of March 31, 2010 and December 31, 2009	(669)	(669)
Total stockholders equity	1,467	1,290
Total liabilities and stockholders equity	\$ 9,026	\$ 9,378

See notes to unaudited condensed consolidated financial statements.

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MICROFLUIDICS INTERNATIONAL CORPORATION

Condensed Consolidated Statements of Operations

(Unaudited - in thousands, except share and per share amounts)

	For The Three Months Ended March 31,	
	2010	2009
Revenues	\$ 4,315	\$ 3,559
Cost of sales	1,731	1,653
Gross profit	2,584	1,906
Operating expenses:		
Research and development	467	458
Selling	1,055	1,221