Cardica Announces Fiscal 2013 Second Quarter Financial Results

The Associated Press

Cardica, Inc.

(Nasdaq: CRDC) today announced financial results for its fiscal second quarter and six months ended December 31, 2012. Cardica's management will hold a conference call at 4:30 p.m. Eastern Time to discuss the financial results and provide an update on the company's business.

"Having shipped our first commercial units of the MicroCutter XCHANGET 30, with additional orders in process for early adopters, we plan to extend our commercial launch gradually while making selective improvements to ensure broad reliability and clinical adoption in Europe," said Bernard A. Hausen, M.D., Ph.D., president and chief executive officer of Cardica. "At the same time, we intend to enroll additional patients in our European clinical trial using the commercial version of our XCHANGE 30 in the weeks ahead, with a planned enrollment completion in the second quarter of calendar year 2013." Recent Highlights and Accomplishments -- Shipped 30 MicroCutter XCHANGET 30 devices and 108 XCHANGET 30 cartridges, to DACH Medical Group, the company's distributor in Germany, Austria and Switzerland in the fiscal 2013 second quarter; -- Enrolled additional patients in the company's European clinical trial of the MicroCutter XCHANGE 30 devices; the commercial XCHANGE 30 device will be used for all remaining patients enrolled in the study; -- Added and trained two new trial sites in Germany for Cardica's European clinical study, bringing the total number of sites having or actively enrolling patients to seven; -- Completed over 700 deployments in more than 250 procedures with the XCHANGE 30 device since May 2012, including procedures such as appendectomies, vascular transections, intestinal and lung resections; -- Increased cumulative worldwide shipments of PAS-Port@ Proximal Anastomosis Systems to over 30,500 units, with 927 units shipped in the fiscal 2013 second quarter; -- Increased cumulative worldwide shipments of C-Port@ Distal Anastomosis Systems to over 13,500, with 242 units shipped in the fiscal 2013 second quarter; and, -- Completed enrollment in the Multicenter Assessment of Grafts in Coronaries (MAGIC) trial, a post market surveillance study for the long-term evaluation of bypass grafts completed using the C-Port systems.

Fiscal 2013 Second Quarter and Six Months Ended December 31, 2012 Financial Results Total product sales were approximately $0.8 million for both the fiscal 2013 and fiscal 2012 second quarters. License and development revenue was $84,000 for both the fiscal 2013 and fiscal 2012 second quarters, with license and development revenue from both periods a result of the August 2010 agreement with Intuitive Surgical. Total net revenue was approximately $0.9 million for both the fiscal 2013 and fiscal 2012 second quarters.

Cost of product sales was approximately $1.0 million for the fiscal 2013 second quarter compared to approximately $1.1 million for the fiscal 2012 second quarter. Research and development expenses were approximately $2.3 million for the fiscal 2013 second quarter compared to $1.5 million in the same period of fiscal 2012. The increase in R&D expense for the fiscal 2013 second quarter is due to an increase in materials purchased, clinical expenses and depreciation expense related to MicroCutter program development activities. Selling, general and administrative expenses were $1.7 million for the fiscal 2013 second quarter compared to $1.5 million for the same period in fiscal 2012.

The net loss for the fiscal 2013 second quarter was approximately $4.2 million, or $0.11 per share, compared with a net loss of approximately $3.2 million, or $0.12 per share, in the fiscal 2012 second quarter.

Total net revenue was approximately $1.8 million for both the six months ended December 31, 2012, and the six months ended December 31, 2011. Total operating costs and expenses for the six months ended December 31, 2012, were approximately $9.9 million compared to $8.0 million for the six months ended December 31, 2011. Net loss for the six months ended December 31, 2012, was approximately $8.3 million, or $0.23 per share, compared to $6.2 million, or $0.23 per share for the same period of fiscal 2012.

Cash and short term investments as of December 31, 2012, were approximately $6.7 million compared with $11.2 million at September 30, 2012. As of December 31, 2012, there were approximately 37 million shares of common stock outstanding.

Conference Call Details To access the live conference call today at 4:30 p.m. Eastern Time via phone, please dial 866-804-6923 from the United States and Canada or 857-350-1669 internationally. The conference ID is 26563845. Please dial in approximately 10 minutes prior to the start of the call. A telephone replay will be available beginning approximately two hours after the call through February 7, 2013, and may be accessed by dialing 888-286-8010 from the United States and Canada or 617-801-6888 internationally. The replay passcode is 81377678.

To access the live and subsequently archived webcast of the conference call, go to the Investor Relations section of the company's website at www.cardica.com. Please connect to the website at least 15 minutes prior to the presentation to allow for any necessary software downloads.

The webcast is also being distributed through the Thomson StreetEvents Network. Individual investors can listen to the call at www.earnings.com, Thomson's individual investor portal, powered by StreetEvents. Institutional investors can access the call via Thomson StreetEvents at www.streetevents.com, a password-protected event management site.

About Cardica Cardica designs and manufactures proprietary stapling and anastomotic devices for cardiac and laparoscopic surgical procedures. Cardica's technology portfolio is intended to minimize operating time and enable minimally-invasive and robot-assisted surgeries. Cardica manufactures and markets its

automated anastomosis systems, the C-Port@ Distal Anastomosis Systems and PAS-Port@ Proximal Anastomosis System for coronary artery bypass graft (CABG) surgery, and has shipped over 44,100 units throughout the world. In addition, Cardica is developing the Cardica@ MicroCutter XCHANGET 30, a cartridge-based microcutter device with a five-millimeter shaft diameter, and the Cardica@ MicroCutter XPRESST 30, a true multi-fire laparoscopic stapling device. Both MicroCutter devices are designed to be used in a variety of procedures, including bariatric, colorectal, thoracic and general surgery. The Cardica MicroCutter XCHANGE 30 and XPRESS 30 products require 510(k) review and are not yet commercially available in the U.S.

Forward-Looking Statements The statements in this press release regarding Cardica's plans to extend its commercial launch of the MicroCutter XCHANGET 30 gradually, and its intention to enroll additional patients in its European clinical trial using the commercial version of the XCHANGE 30 in the weeks ahead, with a planned enrollment completion in the second quarter of calendar year 2013, are "forward-looking statements." The words "intend" and "plan" are intended to identify these forward-looking statements. There are a number of important factors that could cause Cardica's results to differ materially from those indicated by these forward-looking statements, including: that Cardica may not be successful in its efforts to further develop or commercialize the XCHANGE 30; that the XCHANGE 30 may face development, regulatory, reimbursement and manufacturing risks; that Cardica's intellectual property rights may not provide adequate protection to enable further development of the XCHANGE 30; that surgeons may not use the XCHANGE 30 correctly, which could cause unfavorable results that may impair the acceptance of the XCHANGE 30 by other surgeons; and that Cardica may not have sufficient funds to develop the XCHANGE 30, as well as other risks detailed from time to time in Cardica's reports filed with the U.S. Securities and Exchange Commission, including its Current Report on Form 10-Q for the quarter ended December 31, 2012. Cardica expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein. You are encouraged to read Cardica's reports filed with the U.S. Securities and Exchange Commission, available at www.sec.gov.

Cardica, Inc.

Statements of Operations (amounts in thousands except per share amounts) Three months ended Six months ended December 31, December 31, 2012 2011 2012 2011 (unaudited) (unaudited) Revenue Product sales, net $ 773 $ 811 $ 1,555 $ 1,578 License and development revenue 84 84 168 168 Royalty revenue 17 17 36 36 Total 874 912 1,759 1,782 Operating costs and expenses Cost of product sales 968 1,078 1,600 1,905 Research and development 2,274 1,482 4,826 3,039 Selling, general and administrative 1,712 1,483 3,447 3,024 Total operating costs and expenses 4,954 4,043 9,873 7,968 Loss from operations (4,080) (3,131) (8,114) (6,186) Interest and other income 4 2 9 3 Interest expense (116) (57) (227) (58) Net loss $ (4,192) $ (3,186) $(8,332) $(6,241) Basic and diluted net loss per share $ (0.11) $ (0.12) $ (0.23) $ (0.23) Shares used in computing basic and diluted net loss per share 36,951 27,095 36,837 26,950 Balance Sheets (amounts in thousands) December 31, June 30, 2012 2012 Assets

(unaudited) Cash and cash equivalents $ 6,661 $14,645 Accounts receivable 443 299 Inventories 999 576 Other assets 3,395 2,622 Total assets $ 11,498 $18,142 Liabilities and stockholders' equity Accounts payable and other liabilities $ 2,223 $ 1,860 Deferred revenue 2,222 2,390 Long term debt 2,655 2,532 Total stockholders' equity 4,398 11,360 Total liabilities and stockholders' equity $ 11,498 $18,142 SOURCE Cardica, Inc.

-0- 01/31/2013 /CONTACT: Bob Newell, Vice President, Finance and Chief Financial Officer, +1-650-331-7133, investors@cardica.com /Web Site: http://www.cardica.com (NASDAQ-NMS:CRDC) / CO: Cardica, Inc.

ST: California IN: HEA MEQ SU: ERN CCA PRN -- SF51966 -- 0000 01/31/2013 21:05:00 EDT http://www.prnewswire.c

Source URL (retrieved on *04/25/2015 - 3:35am*):
http://www.mdtmag.com/news/2013/01/cardica-announces-fiscal-2013-second-quarter-financial-results?qt-most_popular=0