

MoSys, Inc.  
Form 10-Q  
November 06, 2015  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, DC 20549

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**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 September 30, 2015

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 000-32929

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**MOSYS, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of Incorporation or organization)

**77-0291941**  
(I.R.S. Employer  
Identification Number)

**3301 Olcott Street**

**Santa Clara, California, 95054**

(Address of principal executive office and zip code)

**(408) 418-7500**

(Registrant's telephone number, including area code)

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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 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 definitions of large accelerated filer, accelerated filer, and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

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

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). Yes  No

As of October 30, 2015, 65,495,715 shares of the Registrant's common stock, \$0.01 par value, were outstanding.

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FORM 10-Q

September 30, 2015

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	<b>September 30, 2015</b>	<b>December 31, 2014</b>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 1,585	\$ 3,110
Short-term investments	21,597	20,439
Accounts receivable, net	426	177
Inventories, net	1,264	881
Prepaid expenses and other	1,369	887
Total current assets	26,241	25,494
Long-term investments	2,269	2,245
Property and equipment, net	860	854
Goodwill	23,134	23,134
Other assets	756	899
Total assets	\$ 53,260	\$ 52,626
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities		
Accounts payable	\$ 378	\$ 495
Accrued expenses and other	2,057	2,350
Total current liabilities	2,435	2,845
Long-term liabilities	249	241
Commitments and contingencies (Note 4)		
Stockholders' equity		
Preferred stock, \$0.01 par value; 20,000 shares authorized; none issued and outstanding		
Common stock, \$0.01 par value; 120,000 shares authorized; 65,496 shares and 49,793 shares issued and outstanding at September 30, 2015 and December 31, 2014, respectively	655	498
Additional paid-in capital	225,389	199,541
Accumulated other comprehensive loss	(3)	(10)
Accumulated deficit	(175,465)	(150,489)
Total stockholders' equity	50,576	49,540
Total liabilities and stockholders' equity	\$ 53,260	\$ 52,626

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

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## MOSYS, INC.

## CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(Unaudited)

(In thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
<b>Net revenue</b>				
Product	\$ 565	\$ 437	\$ 1,288	\$ 1,993
Royalty and other	457	716	1,504	2,241
Total net revenue	1,022	1,153	2,792	4,234
Cost of net revenue	793	447	1,593	2,046
Gross profit	229	706	1,199	2,188
<b>Operating expenses</b>				
Research and development	8,793	7,507	21,475	20,993
Selling, general and administrative	1,547	1,689	4,711	4,976
Total operating expenses	10,340	9,196	26,186	25,969
<b>Loss from operations</b>	(10,111)	(8,490)	(24,987)	(23,781)
Other income, net	19	30	71	115
Loss before income taxes	(10,092)	(8,460)	(24,916)	(23,666)
Income tax provision	13	23	60	65
<b>Net loss</b>	\$ (10,105)	\$ (8,483)	\$ (24,976)	\$ (23,731)
Other comprehensive income (loss), net of tax:				
Net unrealized gains (losses) on available-for-sale securities	6	(17)	7	(20)
<b>Comprehensive loss</b>	\$ (10,099)	\$ (8,500)	\$ (24,969)	\$ (23,751)
Net loss per share				
Basic and diluted	\$ (0.15)	\$ (0.17)	\$ (0.41)	\$ (0.48)
Shares used in computing net loss per share				
Basic and diluted	65,317	49,634	61,486	49,441

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

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**MOSYS, INC.**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

**(Unaudited)**

**(In thousands)**

	<b>Nine Months Ended September 30,</b>	
	<b>2015</b>	<b>2014</b>
<b>Cash flows from operating activities:</b>		
Net loss	\$ (24,976)	\$ (23,731)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	466	313
Stock-based compensation	2,864	3,596
Amortization of intangible assets		