

MoSys, Inc.  
Form 10-Q  
May 09, 2012  
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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 March 31, 2012

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

## 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 <input type="checkbox"/>  | Accelerated filer <input checked="" type="checkbox"/> |
| Non-accelerated filer <input type="checkbox"/><br>(Do not check if a smaller reporting company) | Smaller reporting company <input type="checkbox"/>    |

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

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As of May 1, 2012, 38,744,929 shares of the Registrant's common stock, \$0.01 par value, were outstanding.

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|   | <b>March 31,<br/>2012</b> | <b>December 31,<br/>2011</b> |
|---|---------------------------|------------------------------|
| <b>ASSETS</b>   |                           |                              |
| Current assets  |                           |                              |
| Cash and cash equivalents   | \$ 9,420                  | \$ 40,025                    |
| Short-term investments  | 23,368                    | 9,413                        |
| Accounts receivable, net  | 308                       | 969                          |
| Unbilled contracts receivable   | 6                         | 74                           |
| Prepaid expenses and other current assets   | 1,993                     | 1,522                        |
| Total current assets  | 35,095                    | 52,003                       |
| Long-term investments   |                           |                              |
| Property and equipment, net   | 21,908                    | 8,537                        |
| Goodwill  | 1,149                     | 1,382                        |
| Intangible assets, net  | 23,134                    | 23,134                       |
| Other assets  | 3,717                     | 4,400                        |
| Total assets  | \$ 85,185                 | \$ 89,637                    |
| <b>LIABILITIES AND STOCKHOLDERS EQUITY</b>  |                           |                              |
| Current liabilities   |                           |                              |
| Accounts payable  | \$ 757                    | \$ 336                       |
| Accrued expenses and other liabilities  | 4,064                     | 2,779                        |
| Deferred revenue  | 875                       | 920                          |
| Total current liabilities   | 5,696                     | 4,035                        |
| Long-term liabilities   |                           |                              |
| Commitments and contingencies (Note 4)  | 126                       | 109                          |
| 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; 38,746 shares and 38,423 shares issued and outstanding at March 31, 2012 and December 31, 2011, respectively | 385                       | 384                          |
| Additional paid-in capital  | 151,604                   | 150,507                      |
| Accumulated other comprehensive income (loss)   | (12)                      | 1                            |
| Accumulated deficit   | (72,614)                  | (65,399)                     |
| Total stockholders' equity  | 79,363                    | 85,493                       |

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|  |    |        |    |        |
|--|----|--------|----|--------|
| Total liabilities and stockholders' equity | \$ | 85,185 | \$ | 89,637 |
|--|----|--------|----|--------|

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<br>March 31, |          |
|-------------------------------------|---------------------------------|----------|
|                                     | 2012                            | 2011     |
| <b>Net revenue</b>                  |                                 |          |
| Licensing and other                 | \$ 221                          | \$ 1,347 |
| Royalty                             | 1,203                           | 2,192    |
| Total net revenue                   | 1,424                           | 3,539    |
| <b>Cost of net revenue</b>          |                                 |          |
| Licensing and other                 | 57                              | 690      |
| Total cost of net revenue           | 57                              | 690      |
| Gross profit                        | 1,367                           | 2,849    |
| <b>Operating expenses</b>           |                                 |          |
| Research and development            | 7,506                           | 6,155    |
| Selling, general and administrative | 2,926                           | 2,714    |
| Gain on sale of assets              | (1,856)                         |          |
| Total operating expenses            | 8,576                           | 8,869    |
| <b>Loss from operations</b>         | (7,209)                         |          |