

AEHR TEST SYSTEMS
Form 10-Q
January 13, 2015

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 November 30, 2014

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: 000-22893

AEHR TEST SYSTEMS
(Exact name of Registrant as specified in its charter)

California	94-2424084
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

400 Kato Terrace, Fremont, CA	94539
(Address of principal executive offices)	(Zip Code)

(510) 623-9400
(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 as 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

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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	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>

(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 ☒

Number of shares of the registrant’s common stock, \$0.01 par value, outstanding as of December 31, 2014 was 12,672,279.

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FOR THE QUARTER ENDED NOVEMBER 30, 2014

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PART I. FINANCIAL INFORMATION

Item 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

AEHR TEST SYSTEMS

CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands, except per share data)

(unaudited)

	November 30, 2014	May 31, 2014 (1)
ASSETS		
Current assets:		
Cash and cash equivalents	\$3,596	\$1,809
Accounts receivable, net	1,352	3,390
Inventories	6,035	6,148
Prepaid expenses and other	359	326
Total current assets	11,342	11,673
Property and equipment, net	538	474
Other assets	94	78
Total assets	\$11,974	\$12,225
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Line of credit	\$642	\$777
Accounts payable	1,790	1,892
Accrued expenses	1,248	1,390
Customer deposits and deferred revenue, short-term	792	1,058
Total current liabilities	4,472	5,117
Income taxes payable	8	71
Deferred rent, net of current portion	--	8
Total liabilities	4,480	5,196
Aehr Test Systems shareholders' equity:		
Common stock, \$0.01 par value:		
Authorized: 75,000 shares;		
Issued and outstanding: 12,667 shares and 11,203 shares at November 30, 2014 and May 31, 2014, respectively	127	112
Additional paid-in capital	55,725	52,142

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Accumulated other comprehensive income	2,373	2,488
Accumulated deficit	(50,713)	(47,692)
Total Aehr Test Systems shareholders' equity	7,512	7,050
Noncontrolling interest	(18)	(21)
Total shareholders' equity	7,494	7,029
Total liabilities and shareholders' equity	\$11,974	\$12,225

(1) The condensed consolidated balance sheet at May 31, 2014 has been derived from the audited consolidated financial statements at that date.

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

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CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per share data)

(unaudited)

	Three Months Ended November 30,		Six Months Ended November 30,	
	2014	2013	2014	2013
Net sales	\$2,615	\$4,950	\$6,173	\$8,702
Cost of sales	1,921	2,456	3,869	4,264
Gross profit	694	2,494	2,304	4,438