

ENZO BIOCHEM INC
Form 10-Q
March 12, 2009

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 January 31, 2009

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 001-09974

ENZO BIOCHEM, INC.

(Exact name of registrant as specified in its charter)

New York _____

(State or Other Jurisdiction of Incorporation or Organization)

527 Madison Ave, New York, New York _____

(Address of Principal Executive office)

212-583-0100 _____

(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 has 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 is a large accelerated filer, an accelerated filer, or a non-accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

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Large accelerated filer Accelerated filer Non-accelerated filer 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 March 1, 2009 the Registrant had approximately 37,481,000 shares of common stock outstanding.

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ENZO BIOCHEM, INC.
FORM 10-Q
January 31, 2009

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Part 1 Financial Information**Item 1** Financial Statements

ENZO BIOCHEM, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)

	January 31, 2009 (unaudited)	July 31, 2008 (audited)
	<u> </u>	<u> </u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 8,480	\$ 78,322
Short term investments	64,452	
Accounts receivable, net of allowances	11,053	15,348
Inventories	8,109	9,514
Prepaid expenses	1,491	2,496
	<u> </u>	<u> </u>
Total current assets	93,585	105,680
Property, plant, and equipment, net	9,562	9,053
Goodwill	20,076	21,321
Intangible assets, net	15,958	17,656
Other	648	812
	<u> </u>	<u> </u>
Total assets	<u>\$ 139,829</u>	<u>\$ 154,522</u>
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities:		
Accounts payable trade	\$ 3,652	\$ 4,299
Accrued liabilities	9,402	7,370
Other current liabilities	1,005	1,161
Deferred taxes	242	458
	<u> </u>	<u> </u>
Total current liabilities	14,301	13,288
Deferred revenue	270	512
Deferred taxes	1,983	2,433
Commitments and contingencies		
Stockholders equity:		
Preferred Stock, \$.01 par value; authorized 25,000,000 shares; no shares issued or outstanding		
Common Stock, \$.01 par value; authorized 75,000,000 shares; shares issued: 38,358,635 at January 31, 2009 and 38,007,581 at July 31, 2008	384	380
Additional paid-in capital	305,997	303,811
Less treasury stock at cost: 877,704 shares at January 31, 2009 and 777,719 shares at July 31, 2008	(12,457)	(11,331)
Accumulated deficit	(170,199)	(156,157)
Accumulated other comprehensive (loss) income	(450)	1,586
	<u> </u>	<u> </u>
Total stockholders equity	123,275	138,289
	<u> </u>	<u> </u>
Total liabilities and stockholders equity	<u>\$ 139,829</u>	<u>\$ 154,522</u>

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

ENZO BIOCHEM, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)
(in thousands, except per share data)

	Three Months Ended January 31,		Six Months Ended January 31,	
	2009	2008	2009	2008
Revenues:				
Product revenues	\$ 9,497	\$ 6,028	\$ 19,474	\$ 11,890
Royalty and license fee income	1,904	1,498	4,820	3,816
Clinical laboratory services	9,515	10,700	17,687	21,965
	<u>20,916</u>	<u>18,226</u>	<u>41,981</u>	<u>37,671</u>
Costs and expenses and other (income):				
Cost of product revenues	6,591	4,210	13,396	8,644
Cost of clinical laboratory services	5,989	4,969	11,796	10,100
Research and development expense	2,218	2,449	4,220	4,151
Selling, general, and administrative expense	10,908	9,603	20,383	17,007
Provision for uncollectible accounts receivable	1,376	964	3,235	2,124
Legal expense	1,288	1,228	2,498	3,677
Interest income	(142)	(1,086)	(552)	(2,546)
Other income	(118)	(100)	(151)	(126)
Foreign currency loss	373		955	
	<u>28,483</u>	<u>22,237</u>	<u>55,780</u>	<u>43,031</u>
Loss before income taxes	(7,567)	(4,011)	(13,799)	(5,360)
(Provision) benefit for income taxes	(106)	(42)	(243)	73
Net loss	<u>\$ (7,673)</u>	<u>\$ (4,053)</u>	<u>\$ (14,042)</u>	<u>\$ (5,287)</u>
Net loss per common share:				
Basic	\$ (0.20)	\$ (0.11)	\$ (0.38)	\$ (0.14)
Diluted	\$ (0.20)	\$ (0.11)	\$ (0.38)	\$ (0.14)
Weighted average common shares outstanding:				
Basic	37,449	36,762	37,393	36,739
Diluted	37,449	36,762	37,393	36,739

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

ENZO BIOCHEM, INC
CONSOLIDATED STATEMENT OF STOCKHOLDERS EQUITY
AND COMPREHENSIVE LOSS
Six months ended January 31, 2009
(UNAUDITED)
(In thousands, except share data)

	<i>Common Stock Shares</i>	<i>Treasury Stock Shares</i>	<i>Common Stock Amount</i>	<i>Additional Paid-in Capital</i>	<i>Treasury Stock Amount</i>	<i>Accumulated Deficit</i>	<i>Accumulated Other Comprehensive (Loss) Income</i>	<i>Total Stockholders Equity</i>	<i>Comprehensive Loss</i>
Balance at July 31, 2008	38,007,581	777,719	\$ 380	\$ 303,811	\$ (11,331)	\$ (156,157)	\$ 1,586	\$ 138,289	
Net (loss) for the period ended January 31, 2009						(14,042)		(14,042)	\$ (14,042)
Purchase of treasury stock		99,985			(1,126)			(1,126)	
Exercise of stock options	251,162		3	1,471				1,474	
Vesting of restricted stock	99,892		1					1	
Stock based compensation charges				715				715	
Foreign currency translation adjustments							(2,036)	(2,036)	(2,036)
Comprehensive (loss)									\$ (16,078)
Balance at January 31, 2009	38,358,635	877,704	\$ 384	\$ 305,997	\$ (12,457)	\$ (170,199)	\$ (450)	\$ 123,275	

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

ENZO BIOCHEM, INC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(in thousands)