

BRAINSTORM CELL THERAPEUTICS INC
Form 10-Q
May 14, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 31, 2009

TRANSITION REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Transition Period from _____ to _____.

Commission File Number 333-61610

BRAINSTORM CELL THERAPEUTICS INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

20-8133057
(I.R.S. Employer
Identification No.)

110 East 59th Street
New York, NY 10022
(Address of principal executive offices)

(212) 557-9000
(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 past 12 months (or for such shorter period that 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 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

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 May 14, 2009, the number of shares outstanding of the registrant's common stock, \$0.00005 par value per share, was 55,241,418.

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PART I: FINANCIAL INFORMATION

SPECIAL NOTE

Unless otherwise specified in this quarterly report on Form 10-Q, all references to currency, monetary values and dollars set forth herein shall mean United States (U.S.) dollars.

Item 1. Financial Statements.

BRAINSTORM CELL THERAPEUTICS INC. AND SUBSIDIARY
(A development stage company)

CONSOLIDATED FINANCIAL STATEMENTS
AS OF MARCH 31, 2009

UNAUDITED

U.S. DOLLARS IN THOUSANDS

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BRAINSTORM CELL THERAPEUTICS INC. AND SUBSIDIARY
(A development stage company)

UNAUDITED

CONSOLIDATED BALANCE SHEETS

U.S. dollars in thousands (except share data)

	March 31, 2009 Unaudited	December 31, 2008 Audited
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 2	\$ 2
Restricted cash	32	36
Accounts receivable and prepaid expenses	43	21
Total current assets	77	59
LONG-TERM INVESTMENTS:		
Prepaid expenses	6	11
Severance pay fund	54	62
Total long-term investments	60	73
PROPERTY AND EQUIPMENT, NET	704	743
Total assets	\$ 841	\$ 875
LIABILITIES AND STOCKHOLDERS' DEFICIENCY		
CURRENT LIABILITIES:		
Short term Credit from bank	\$ 37	\$ 72
Trade payables	764	744
Other accounts payable and accrued expenses	1,865	1,672
Short-term convertible loans	175	172
Short-term loans	200	199
Total current liabilities	3,041	2,859
ACCRUED SEVERANCE PAY	81	92
Total liabilities	3,122	2,951
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' DEFICIENCY:		
Stock capital: (Note 7)		

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Common stock of \$0.00005 par value - Authorized: 800,000,000 shares at March 31, 2009 and December 31, 2008; Issued and outstanding: 55,241,418 shares at March 31, 2009 and December 31, 2008,	3	3
Additional paid-in-capital	34,190	33,881
Deficit accumulated during the development stage	(36,474)	(35,960)
Total stockholders' deficiency	(2,281)	(2,076)
Total liabilities and stockholders' deficiency	\$ 841	\$ 875

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

BRAINSTORM CELL THERAPEUTICS INC. AND SUBSIDIARY
(A development stage company)

UNAUDITED

CONSOLIDATED STATEMENTS OF OPERATIONS

U.S. dollars in thousands (except share data)

	Three months ended March 31,		Period from September 22, 2000 (inception date) through March 31, 2009
	2009	2008	2009
	Unaudited		Unaudited
Operating costs and expenses:			
Research and development, net	\$ 289	\$ 590	\$ 21,793
General and administrative	251	544	11,940
Total operating costs and expenses	540	1,134	33,733
Financial income (expenses), net	26	(128)	(2,524)
	514	1,262	36,257
Taxes on income	-	-	53
Loss from continuing operations	514	1,262	35,310
Net loss from discontinued operations	-	-	164
Net loss	\$ 514	\$ 1,262	\$ 36,474
Basic and diluted net loss per share from continuing operations	\$ 0.01	\$ 0.03	
Weighted average number of shares outstanding used in computing basic and diluted net loss per share	55,241,418	41,774,344	

The accompanying notes are an integral part of the consolidated financial statements

BRAINSTORM CELL THERAPEUTICS INC. AND SUBSIDIARY

(A development stage company)

UNAUDITED

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIENCY)

U.S. dollars in thousands (except share data)

	Common stock Number	Common stock Amount	Additional paid-in capital	Deferred stock-based compensation	Deficit accumulated during the development stage	Total stockholders' equity (deficiency)
Balance as of September 22, 2000 (date of inception)	-	\$ -	\$ -	\$ -	\$ -	\$ -
Stock issued on September 22, 2000 for cash at \$0.00188 per share	8,500,000	1	16	-	-	17
Stock issued on March 31, 2001 for cash at \$0.0375 per share	1,600,000	* -	60	-	-	60
Contribution of capital	-	-	8	-	-	8
Net loss	-	-	-	-	(17)	(17)
Balance as of March 31, 2001	10,100,000	1	84	-	(17)	68
Contribution of capital	-	-	11	-	-	11
Net loss	-	-	-	-	(26)	(26)
Balance as of March 31, 2002	10,100,000	1	95	-	(43)	53
Contribution of capital	-	-	15	-	-	15
Net loss	-	-	-	-	-	-