

Sarepta Therapeutics, Inc.
Form 10-Q
May 05, 2016

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 March 31, 2016

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 001-14895

SAREPTA THERAPEUTICS, INC.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	93-0797222 (I.R.S. Employer Identification No.)
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215 First Street, Suite 415

Cambridge, MA (Address of principal executive offices)	02142 (Zip Code)
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Registrant's telephone number, including area code: (617) 274-4000

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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 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 (Check one):

Large accelerated filer

Accelerated filer

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

Indicate the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date.

Common Stock with \$0.0001 par value	45,774,907
(Class)	(Outstanding as of April 29, 2016)

SAREPTA THERAPEUTICS, INC.

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PART I — FINANCIAL INFORMATION

Item 1. Financial Statements

SAREPTA THERAPEUTICS, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(unaudited, in thousands, except shares and per share amounts)

	As of March 31, 2016	As of December 31, 2015
Assets		
Current Assets:		
Cash and cash equivalents	\$38,001	\$80,304
Short-term investments	91,155	112,187
Accounts receivable	3,990	3,977
Restricted investment	10,695	10,695
Other current assets	16,885	17,380
Total current assets	160,726	224,543
Restricted cash and investments	783	783
Property and equipment, net of accumulated depreciation of \$25,826		
and \$24,594 as of March 31, 2016 and December 31, 2015, respectively	36,982	37,344
Patent costs, net of accumulated amortization of \$2,774 and \$2,620 as of		
March 31, 2016 and December 31, 2015, respectively	6,728	6,642
Other non-current assets	8,145	4,470
Total assets	\$213,364	\$273,782
Liabilities and Stockholders' Equity		
Current Liabilities:		
Accounts payable	\$18,673	\$20,234
Accrued expenses	24,277	29,053
Current portion of long-term debt	7,604	5,936
Current portion of notes payable	—	2,493
Deferred revenue	3,303	3,303
Other current liabilities	1,303	1,275
Total current liabilities	55,160	62,294
Long-term debt	13,373	14,969
Deferred rent and other	5,869	6,172

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Total liabilities	74,402	83,435
Commitments and contingencies (Note 10)		
Stockholders' Equity:		
Preferred stock, \$.0001 par value, 3,333,333 shares authorized; none issued and outstanding	—	—
Common stock, \$.0001 par value, 99,000,000 shares authorized; 45,767,497 and 45,629,529 issued and outstanding at March 31, 2016 and December 31, 2015, respectively	5	5
Additional paid-in capital	1,097,787	1,089,508
Accumulated other comprehensive loss	(5)	(111)
Accumulated deficit	(958,825)	(899,055)
Total stockholders' equity	138,962	190,347
Total liabilities and stockholders' equity	\$213,364	\$273,782

See accompanying notes to unaudited condensed consolidated financial statements.

SAREPTA THERAPEUTICS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(unaudited, in thousands, except per share amounts)

	For the Three Months Ended March 31,	
	2016	2015
Revenue from research contracts and other grants	\$ —	\$ —
Operating expenses:		
Research and development	38,826	39,165
General and administrative	20,876	22,697
Total operating expenses	59,702	61,862
Operating loss	(59,702)	(61,862)
Other income (loss):		
Interest (expense) income and other, net	(68)	303
Total other income (loss)	(68)	303
Net loss	\$ (59,770)	\$ (61,559)
Other comprehensive income:		
Unrealized gain on short-term		
securities - available-for-sale	106	78
Total other comprehensive income	106	78