

ADVANCED PHOTONIX INC
Form 10-Q
February 11, 2013

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 December 28, 2012
OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 1-11056

ADVANCED PHOTONIX, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

33-0325826
(I.R.S. Employer Identification No.)

2925 Boardwalk, Ann Arbor, Michigan 48104
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code
(734) 864-5600

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 Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 229.405 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 Smaller reporting company

(Do not check if a 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 February 4, 2013, there were 31,161,147 shares of Class A Common Stock, \$.001 par value, outstanding.

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Advanced Photonix, Inc.
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 For the Quarter Ended December 28, 2012

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PART I -- FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements

Advanced Photonix, Inc.
Condensed Consolidated Balance Sheets

	December 28, 2012 (Unaudited)	March 31, 2012
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 559,000	\$ 3,249,000
Receivables, net	3,770,000	4,539,000
Inventories	3,702,000	3,594,000
Prepaid expenses and other current assets	450,000	261,000
Total current assets	8,481,000	11,643,000
Equipment and leasehold improvements, net	3,033,000	3,301,000
Goodwill	4,579,000	4,579,000
Intangibles and patents, net	3,760,000	4,538,000
Other assets	345,000	322,000
Total Assets	\$ 20,198,000	\$ 24,383,000
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 1,108,000	\$ 872,000
Accrued compensation	708,000	866,000
Accrued subcontracting costs	427,000	355,000
Other accrued expenses	671,000	651,000
Current portion of long-term debt - bank term loan	333,000	333,000
Current portion of long-term debt - bank line of credit	-	500,000
Current portion of long-term debt – MEDC/MSF	547,000	532,000
Total current liabilities	3,794,000	4,109,000
Long-term debt, less current portion – MEDC/MSF	517,000	929,000
Long-term debt, less current portion – bank term loan	417,000	667,000
Warrant liability	-	26,000
Total liabilities	4,728,000	5,731,000
Commitments and contingencies		
Shareholders' equity:		
Class A Common Stock, \$.001 par value, 100,000,000 authorized;		
December 28, 2012 – 31,161,147 shares issued and outstanding,		
March 31, 2012 – 31,159,431 shares issued and outstanding	31,000	31,000
Additional paid-in capital	58,570,000	58,446,000
Accumulated deficit	(43,131,000)	(39,825,000)
Total shareholders' equity	15,470,000	18,652,000
Total Liabilities and Shareholders' Equity	\$ 20,198,000	\$ 24,383,000

See notes to condensed consolidated financial statements.

Advanced Photonix, Inc.

Condensed Consolidated Statements of Operations
(Unaudited)

	Three Months Ended		Nine Months Ended	
	December 28, 2012	December 30, 2011	December 28, 2012	December 30, 2011
Sales, net	\$ 5,834,000	\$ 6,518,000	\$ 17,636,000	\$ 22,991,000
Cost of products sold	3,381,000	3,828,000	10,965,000	13,356,000
Gross profit	2,453,000	2,690,000	6,671,000	9,635,000
Operating expenses:				
Research, development and engineering	1,558,000	1,660,000	4,271,000	5,066,000
Sales and marketing	527,000	484,000	1,528,000	1,664,000
General and administrative	1,087,000	1,062,000	3,259,000	3,521,000
Amortization expense	293,000	344,000	876,000	