

EMCORE CORP  
Form 10-Q  
May 10, 2006

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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: March 31, 2006

Commission File Number: 0-22175

**EMCORE Corporation**

*(Exact name of Registrant as specified in its charter)*

**New Jersey**

*(State or other jurisdiction of incorporation or organization)*

**22-2746503**

*(IRS Employer Identification No.)*

**145 Belmont Drive, Somerset, NJ 08873**

*(Address of principal executive offices)*

**(732) 271-9090**

*(Registrant's telephone number)*

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 is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (check one):  Large accelerated filer  Accelerated filer  Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The number of shares outstanding of the registrant's no par value common stock as of May 5, 2006 was 50,397,418.

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**TABLE OF CONTENTS**

**PART I. FINANCIAL INFORMATION**

ITEM 1. FINANCIAL STATEMENTS.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

ITEM 4. CONTROLS AND PROCEDURES.

**PART II. OTHER INFORMATION**

ITEM 1. LEGAL PROCEEDINGS.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

ITEM 5. OTHER INFORMATION.

ITEM 6. EXHIBITS.

**SIGNATURES**

**EXHIBIT INDEX**

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**PART I. FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS.**

**EMCORE CORPORATION**  
**Condensed Consolidated Statements of Operations**  
**For the three and six months ended March 31, 2006 and 2005**  
**(in thousands, except per share data)**  
**(unaudited)**

	Three Months Ended March 31,		Six Months Ended March 31,	
	2006	2005	2006	2005
Revenue	\$ 41,162	\$ 30,430	\$ 81,053	\$ 57,394
Cost of revenue	32,473	24,901	65,528	49,790
Gross profit	8,689	5,529	15,525	7,604
Operating expenses:				
Selling, general and administrative	11,001	5,127	18,264	10,687
Research and development	4,964	4,069	9,398	9,128
Total operating expenses	15,965	9,196	27,662	19,815
Operating loss	(7,276)	(3,667)	(12,137)	(12,211)
Other (income) expenses:				
Interest income	(246)	(249)	(576)	(482)
Interest expense	1,359	1,202	2,656	2,404
Loss from convertible subordinated notes exchange offer	-	-	1,078	-
Equity in net loss of Velox investment	150	-	332	-
Equity in net loss (income) of GELcore investment	397	297	(150)	(75)
Total other expenses	1,660	1,250	3,340	1,847
Loss from continuing operations	(8,936)	(4,917)	(15,477)	(14,058)
Discontinued operations:				
Gain on disposal of discontinued operations	2,012	12,476	2,012	12,476
Income from discontinued operations	2,012	12,476	2,012	12,476
Net (loss) income	\$ (6,924)	\$ 7,559	\$ (13,465)	\$ (1,582)
<b>Per share data:</b>				
Basic and diluted per share data:				
Loss from continuing operations	\$ (0.18)	\$ (0.10)	\$ (0.32)	\$ (0.30)
Income from discontinued operations	0.04	0.26	0.04	0.27
Net (loss) income	\$ (0.14)	\$ 0.16	\$ (0.28)	\$ (0.03)
	49,410	47,265	48,789	47,128

Weighted average number of shares  
outstanding  
used in basic and diluted per share  
calculations

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

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**EMCORE CORPORATION**  
**Condensed Consolidated Balance Sheets**  
**As of March 31, 2006 and September 30, 2005**  
**(in thousands)**  
**(unaudited)**

**As**