

BIOTIME INC
Form 10-Q
August 14, 2008

FORM 10-Q
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

(Mark One)

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

For the quarterly period ended June 30, 2008

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 1-12830

BioTime, Inc.

(Exact name of registrant as specified in its charter)

California
(State or other jurisdiction of incorporation or organization)

94-3127919
(IRS Employer Identification No.)

1301 Harbor Bay Parkway, Suite 100
Alameda, California 94502
(Address of principal executive offices)

(510) 521-3390
(Registrant's telephone number, including area code)

6121 Hollis Street
Emeryville, California 94608
(Former address, changed since last report)

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 9 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

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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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. 23,694,374 common shares, no par value, as of June 30, 2008.

PART 1--FINANCIAL INFORMATION

Statements made in this Report that are not historical facts may constitute forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those discussed. Such risks and uncertainties include but are not limited to those discussed in this report under Item 1 of the Notes to Financial Statements, and in BioTime's Annual Report on Form 10-K filed with the Securities and Exchange Commission. Words such as "expects," "may," "will," "anticipates," "intends," "plans," "believes," "seeks," "estimates," and similar identify forward-looking statements.

Item 1. Financial Statements

BIOTIME, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2008 (unaudited)	December 31, 2007
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 172,461	\$ 9,501
Accounts receivable	4,095	3,502
Prepaid expenses and other current assets	150,626	128,643
Total current assets	327,182	141,646
Equipment, net of accumulated depreciation of \$588,318 and \$585,765, respectively	11,316	12,480
Advance license fee and others	270,976	20,976
TOTAL ASSETS	\$ 609,474	\$ 175,102
LIABILITIES AND SHAREHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 623,065	\$ 480,374
Lines of credit payable	1,924,156	716,537
Deferred license revenue, current portion	293,070	261,091
Total current liabilities	2,840,291	1,458,002
LONG-TERM LIABILITIES:		
Stock appreciation rights compensation liability	52,603	13,151
Deferred license revenue, net of current portion	1,630,122	1,740,702
Other liabilities	7,347	9,636
Total long-term liabilities	1,690,072	1,763,489
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' DEFICIT:		
Common shares, no par value, authorized 50,000,000 shares; issued and outstanding 23,694,374 and 23,034,374 shares at June 30, 2008 and December 31, 2007, respectively	40,968,465	40,704,136
Contributed capital	93,972	93,972
Accumulated deficit	(44,983,326)	(43,844,497)
Total shareholders' deficit	(3,920,889)	(3,046,389)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT	\$ 609,474	\$ 175,102

See accompanying notes to the condensed consolidated financial statements.

BIOTIME, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2008	June 30, 2007	June 30, 2008	June 30, 2007
REVENUES:				
License fees	\$ 67,725	\$ 47,065	\$ 133,908	\$ 93,499
Royalties from product sales	341,153	163,676	650,053	362,940
Other revenue	1,685	—	7,620	—
Total revenues	410,563	210,741	791,581	456,439
EXPENSES:				
Research and development	(416,978)	(210,767)	(764,129)	(554,317)
General and administrative	(532,358)	(293,772)	(968,297)	(711,552)
Total expenses	(949,336)	(504,539)	(1,732,426)	(1,265,869)
Loss from operations	(538,773)	(293,798)	(940,845)	(809,430)
Interest expenses and other income	(124,007)	(50,279)	(197,983)	(88,509)
Net Loss	\$ (662,780)	\$ (344,077)	\$ (1,138,828)	\$ (897,939)
Loss per common share – basic and diluted	\$ (0.03)	\$ (0.02)	\$ (0.05)	\$ (0.04)
Weighted average number of common shares outstanding – basic and diluted	23,694,374	22,828,879	23,368,660	22,788,518

See accompanying notes to the condensed consolidated financial statements.

BIOTIME, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS