

Pacira Pharmaceuticals, Inc.  
Form 10-Q  
August 04, 2016

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 June 30, 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: 001-35060

PACIRA PHARMACEUTICALS, INC.  
(Exact Name of Registrant as Specified in its Charter)

Delaware                                      51-0619477  
(State or Other Jurisdiction of      (I.R.S. Employer  
Incorporation or Organization)      Identification No.)

5 Sylvan Way, Suite 300  
Parsippany, New Jersey, 07054  
(Address and Zip Code of Principal Executive  
Offices)

(973) 254-3560  
(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 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

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(§ 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 ☐

Smaller reporting company ☐

(Do not check if a 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

As of July 31, 2016, 37,278,231 shares of the registrant’s common stock, \$0.001 par value per share, were outstanding.

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PACIRA PHARMACEUTICALS, INC.  
 QUARTERLY REPORT ON FORM 10-Q  
 FOR THE QUARTER ENDED JUNE 30, 2016

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## PART I — FINANCIAL INFORMATION

## Item 1. FINANCIAL STATEMENTS (Unaudited)

PACIRA PHARMACEUTICALS, INC.  
CONSOLIDATED BALANCE SHEETS(In thousands, except share and per share amounts)  
(Unaudited)

	June 30, 2016	December 31, 2015 (Note 2)
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$25,309	\$ 56,984
Short-term investments	137,358	101,981
Accounts receivable, net	28,651	25,855
Inventories, net	60,916	61,645
Prepaid expenses and other current assets	5,755	6,117
Total current assets	257,989	252,582
Long-term investments	—	13,462
Fixed assets, net	99,282	90,324
Goodwill	42,751	30,880
Intangible assets, net	—	81
Other assets	677	406
Total assets	\$400,699	\$ 387,735
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$4,614	\$ 8,739
Accrued expenses	38,330	35,375
Convertible senior notes	106,388	104,040
Current portion of deferred revenue	1,048	1,426
Income taxes payable	58	208
Total current liabilities	150,438	149,788
Deferred revenue	7,747	8,082
Other liabilities	14,163	11,473
Total liabilities	172,348	169,343
Commitments and contingencies (Note 12)		
Stockholders' equity:		
Preferred stock, par value \$0.001; 5,000,000 shares authorized; none issued and outstanding at	—	—
June 30, 2016 and December 31, 2015		
Common stock, par value \$0.001, 250,000,000 shares authorized; 37,273,407 shares issued and		
outstanding at June 30, 2016; 36,848,319 shares issued and outstanding at December 31, 2015	37	37
Additional paid-in capital	548,277	526,696
Accumulated deficit	(320,101 )	(308,289 )

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Accumulated other comprehensive income (loss)	138	(52	)
Total stockholders' equity	228,351	218,392	
Total liabilities and stockholders' equity	\$400,699	\$ 387,735	

See accompanying condensed notes to consolidated financial statements.

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CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share amounts)

(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Revenues:				
Net product sales	\$67,687	\$58,062	\$132,189	\$115,146
Collaborative licensing and milestone revenue	1,356	356	1,713	713
Royalty revenue	597	730	1,212	1,604
Total revenues	69,640	59,148	135,114	117,463
Operating expenses:				
Cost of goods sold	23,053	18,929	43,331	36,509
Research and development	9,362	3,649	18,855	9,616
Selling, general and administrative	43,669	34,752	81,626	66,180
Total operating expenses	76,084	57,330	143,812	112,305
Income (loss) from operations	(6,444 )	1,818		