

CAPSTONE TURBINE Corp
Form 10-Q
August 07, 2014
[Table of Contents](#)

**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 June 30, 2014

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: 001-15957

Capstone Turbine Corporation

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

95-4180883

(I.R.S. Employer
Identification No.)

**21211 Nordhoff Street,
Chatsworth, California**

(Address of principal executive offices)

91311

(Zip Code)

818-734-5300

(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 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

The number of shares outstanding of the registrant's common stock as of July 31, 2014 was 329,714,950.

Table of Contents

CAPSTONE TURBINE CORPORATION

INDEX

	Page Number
<u>PART I FINANCIAL INFORMATION</u>	
<u>Item 1.</u>	<u>Financial Statements (Unaudited)</u> 3
	<u>Condensed Consolidated Balance Sheets as of June 30, 2014 and March 31, 2014</u> 3
	<u>Condensed Consolidated Statements of Operations for the Three Months Ended June 30, 2014 and 2013</u> 4
	<u>Condensed Consolidated Statements of Cash Flows for the Three Months Ended June 30, 2014 and 2013</u> 5
	<u>Notes to Condensed Consolidated Financial Statements</u> 6
<u>Item 2.</u>	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u> 17
<u>Item 3.</u>	<u>Quantitative and Qualitative Disclosures About Market Risk</u> 25
<u>Item 4.</u>	<u>Controls and Procedures</u> 25
<u>PART II OTHER INFORMATION</u>	
<u>Item 1.</u>	<u>Legal Proceedings</u> 26
<u>Item 1A.</u>	<u>Risk Factors</u> 26
<u>Item 2.</u>	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u> 26
<u>Item 3.</u>	<u>Defaults Upon Senior Securities</u> 26
<u>Item 4.</u>	<u>Mine Safety Disclosures</u> 26
<u>Item 5.</u>	<u>Other Information</u> 26
<u>Item 6.</u>	<u>Exhibits</u> 27
<u>Signatures</u>	28

Table of Contents**PART I FINANCIAL INFORMATION****Item 1. Financial Statements****CAPSTONE TURBINE CORPORATION AND SUBSIDIARIES****CONDENSED CONSOLIDATED BALANCE SHEETS**(In thousands, except share amounts)
(Unaudited)

	June 30, 2014	March 31, 2014
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 46,695	\$ 27,859
Accounts receivable, net of allowances of \$2,302 at June 30, 2014 and \$2,246 at March 31, 2014	24,210	28,019
Inventories	22,372	18,102
Prepaid expenses and other current assets	2,021	2,217
Total current assets	95,298	76,197
Property, plant and equipment, net	2,797	2,891
Non-current portion of inventories	3,047	2,938
Intangible assets, net	1,668	1,790
Other assets	305	302
Total	\$ 103,115	\$ 84,118
LIABILITIES AND STOCKHOLDERS EQUITY		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 25,691	\$ 28,577
Accrued salaries and wages	2,335	1,883
Accrued warranty reserve	2,893	2,965
Deferred revenue	2,104	2,657
Revolving credit facility	11,952	13,228
Current portion of notes payable and capital lease obligations	272	444
Total current liabilities	45,247	49,754
Long-term portion of notes payable and capital lease obligations	165	201
Other long-term liabilities	50	70
Commitments and contingencies (Note 15)		
Stockholders' Equity:		
Preferred stock, \$.001 par value; 10,000,000 shares authorized; none issued		
Common stock, \$.001 par value; 515,000,000 shares authorized; 330,731,532 shares issued and 329,514,950 shares outstanding at June 30, 2014; 311,520,567 shares issued and 310,377,293 shares outstanding at March 31, 2014	331	312
Additional paid-in capital	835,789	805,342
Accumulated deficit	(777,002)	(770,231)
Treasury stock, at cost; 1,216,582 shares at June 30, 2014 and 1,143,274 shares at March 31, 2014	(1,465)	(1,330)

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Total stockholders equity		57,653		34,093
Total	\$	103,115	\$	84,118

See accompanying notes to condensed consolidated financial statements.

Table of Contents

CAPSTONE TURBINE CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share data)
(Unaudited)

	Three Months Ended June 30,	
	2014	2013
Revenue	\$ 23,260	\$ 24,373
Cost of goods sold	19,844	21,050
Gross margin	3,416	3,323
Operating expenses:		
Research and development	2,327	2,335
Selling, general and administrative	7,764	7,568
Total operating expenses	10,091	9,903
Loss from operations	(6,675)	(6,580)
Other (expense) income	97	(14)
Interest expense	(143)	(186)
Loss before income taxes	(6,721)	(6,780)
Provision for income taxes	50	18
Net loss	\$ (6,771)	