

Clovis Oncology, Inc.
Form 10-Q
August 09, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended June 30, 2016.

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: 001-35347

Clovis Oncology, Inc.

(Exact name of Registrant as specified in its charter)

Delaware	90-0475355
(State or other jurisdiction of	(I.R.S. Employer
incorporation or organization)	Identification No.)

5500 Flatiron Parkway, Suite 100

Boulder, Colorado	80301
(Address of principal executive offices)	(Zip Code)

(303) 625-5000

(Registrant's telephone number, including area code)

Not Applicable

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(Former name, former address and former fiscal year, if 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 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 (§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 (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

The number of outstanding shares of the registrant's common stock, par value \$0.001 per share, as of July 29, 2016 was 38,501,077.

CLOVIS ONCOLOGY, INC.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS
CLOVIS ONCOLOGY, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(In thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Revenues:				
License and milestone revenue	\$—	\$—	\$—	\$—
Operating expenses:				
Research and development	67,729	60,368	142,337	117,118
General and administrative	9,552	7,204	19,379	13,955
Acquired in-process research and development	300	—	300	—
Impairment of intangible asset	104,517	—	104,517	—
Change in fair value of contingent purchase consideration	(25,452)	764	(24,936)	1,488
Total expenses	156,646	68,336	241,597	132,561
Operating loss	(156,646)	(68,336)	(241,597)	(132,561)
Other income (expense):				
Interest expense	(2,106)	(2,097)	(4,210)	(4,172)
Foreign currency gains (losses)	183	(1,142)	(368)	2,105
Other income	196	62	221	73
Other expense, net	(1,727)	(3,177)	(4,357)	(1,994)
Loss before income taxes	(158,373)	(71,513)	(245,954)	(134,555)
Income tax benefit (expense)	29,059	(18)	33,240	(120)
Net loss	\$(129,314)	\$(71,531)	\$(212,714)	\$(134,675)
Basic and diluted net loss per common share	\$(3.37)	\$(2.10)	\$(5.54)	\$(3.96)
Basic and diluted weighted-average common shares outstanding	38,389	34,088	38,375	34,049

See accompanying Notes to Unaudited Consolidated Financial Statements.

CLOVIS ONCOLOGY, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(Unaudited)

(In thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Net loss	\$(129,314)	\$(71,531)	\$(212,714)	\$(134,675)
Other comprehensive income (loss)				
Foreign currency translation adjustments, net of tax	(1,381)	8,313	2,132	(17,602)
Net unrealized gain on available-for-sale securities, net of tax	48	53	278	