

HEMISPHERX BIOPHARMA INC
Form 10-Q
August 08, 2014

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, 2014

Commission File Number: 1-13441

HEMISPHERX BIOPHARMA, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

52-0845822
(I.R.S. Employer
Identification No.)

1617 JFK Boulevard, Suite 500, Philadelphia, PA 19103
(Address of principal executive offices) (Zip Code)

(215) 988-0080
(Registrant's telephone number, including area code)

(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 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 definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer
 Non-accelerated filer 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

189,997,547 shares of common stock were outstanding as of August 1, 2014.

PART I - FINANCIAL INFORMATION

ITEM 1: Financial Statements

HEMISPHERX BIOPHARMA, INC. AND SUBSIDIARIES

Consolidated Balance Sheets

(in thousands, except for share and per share amounts)

	June 30, 2014 (Unaudited)	December 31, 2013 (Audited)
ASSETS		
Current assets:		
Cash and cash equivalents	\$2,617	\$803
Marketable securities	17,595	17,391
Prepaid expenses and other current assets	246	358
Total current assets	20,458	18,552
Property and equipment, net	4,845	5,053
Patent and trademark rights, net	924	1,080
Construction in progress	7,188	7,046
Other assets	134	136
Total assets	\$33,549	\$31,867
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$1,471	\$1,271
Accrued expenses	2,659	1,228
Current portion of capital lease	31	33
Total current liabilities	4,161	2,532
Long-term liabilities		
Long-term portion of capital lease	7	23
Redeemable warrants	13	14
Total liabilities	4,181	2,569
Commitments and contingencies (Notes 6, 8, 10)		
Stockholders' equity:		
Preferred stock, par value \$0.01 per share, authorized 5,000,000; issued and outstanding; none	—	—
Common stock, par value \$0.001 per share, authorized 350,000,000 shares; issued and outstanding 189,498,664 and 168,660,370, respectively	189	168
Additional paid-in capital	298,236	289,563
Accumulated other comprehensive income (loss)	54	(114)
Accumulated deficit	(269,111)	(260,319)
Total stockholders' equity	29,368	29,298
Total liabilities and stockholders' equity	\$33,549	\$31,867

See accompanying notes to consolidated financial statements.

HEMISPHERX BIOPHARMA, INC. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Loss

(in thousands, except share and per share data)

(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2014	2013	2014	2013
Revenues:				
Clinical treatment programs	\$36	\$36	\$112	\$78
Total revenues	36	36	112	78
Costs and expenses:				
Production/cost of goods sold	294	635	617	826
Research and development	2,330	2,318	4,656	4,654
General and administrative	2,497	1,817	5,036	3,894
Total costs and expenses	5,121	4,770	10,309	9,374
Operating loss	(5,085	) (4,734	) (10,197	) (9,296
Interest expense	(3	) (5	) (6	) (10
Interest and other income	131	354	284	535
Gain from sale of income tax net operating losses	—	—	1,126	686
Redeemable warrants valuation adjustment	1	102	1	191
Net loss	(4,956	) (4,283	) (8,792	) (7,894
Other Comprehensive Income (Loss):				
Unrealized gain (loss) on marketable securities	147	(1,005	) 168	(960
Reclassification adjustments for impairment losses included in net loss	—	(76	) —	(85
Net comprehensive loss	\$(4,809	) \$(5,364) \$	