

NANOMETRICS INC
Form 10-Q
May 09, 2012

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 March 31, 2012

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 0-13470

NANOMETRICS INCORPORATED
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)
1550 Buckeye Drive, Milpitas, CA
(Address of principal executive offices)
Registrant's telephone number, including area code: (408) 545-6000

94-2276314
(I. R. S. Employer
Identification No.)
95035
(Zip 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 (§232.405 of this chapter) during the preceding 12 months (or such shorter period that the registrant was required to submit and post such file) 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

As of May 7, 2012 there were 23,487,234 shares of common stock, \$0.001 par value, issued and outstanding.

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FOR QUARTER ENDED MARCH 31, 2012

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PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

NANOMETRICS INCORPORATED
CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands except per share amounts)

(Unaudited)

	March 31, 2012	December 31, 2011
ASSETS		
Current assets:		
Cash and cash equivalents	\$95,478	\$97,699
Accounts receivable, net of allowances of \$126 and \$117, respectively	38,783	29,289
Inventories	48,978	52,260
Inventories-delivered systems	1,884	1,637
Prepaid expenses and other	10,629	8,119
Deferred income tax assets	9,527	12,406
Total current assets	205,279	201,410
Property, plant and equipment, net	38,255	35,521
Goodwill	11,951	11,990
Intangible assets, net	13,618	14,394
Deferred income tax assets	3,140	2,864
Other assets	892	1,042
Total assets	\$273,135	\$267,221
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$10,364	\$7,975
Accrued payroll and related expenses	7,661	8,837
Deferred revenue	7,648	5,788
Other current liabilities	14,301	16,709
Income taxes payable	588	707
Current portion of debt obligations	775	765
Total current liabilities	41,337	40,781
Deferred revenue	5,441	4,547
Income taxes payable	2,411	2,401
Other long-term liabilities	2,151	2,813
Debt obligations	6,551	6,687
Total liabilities	57,891	57,229
Commitments and contingencies (Note 15)		
Stockholders' equity:		
Preferred stock, \$0.001 par value; 3,000,000 shares authorized; no shares issued or outstanding	—	—
Common stock, \$0.001 par value, 47,000,000 shares authorized; 23,437,033 and 23,182,771, respectively, issued and outstanding	23	23
Additional paid-in capital	240,038	236,735
Accumulated deficit	(26,612)	(28,315)
Accumulated other comprehensive income	1,795	1,549
Total stockholders' equity	215,244	209,992

Total liabilities and stockholders' equity	\$273,135	\$267,221
See Notes to Condensed Consolidated Financial Statements		

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NANOMETRICS INCORPORATED
 CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In thousands except per share amounts)

(Unaudited)

	Three Months Ended	
	March 31, 2012	April 2, 2011
Net revenues:		
Products	\$47,858	\$53,983
Service	7,634	8,160
Total net revenues	55,492	62,143
Costs of net revenues:		
Cost of products	24,819	22,647
Cost of service	4,970	4,341
Amortization of intangible assets	637	232
Total costs of net revenues	30,426	27,220
Gross profit	25,066	34,923
Operating expenses:		
Research and development	7,476	5,488
Selling	7,211	6,699
General and administrative	6,081	5,499
Amortization of intangible assets	192	174
Total operating expenses	20,960	17,860
Income from operations	4,106	17,063