

IMPAX LABORATORIES INC

FORM 8-K (Current report filing)

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Address	30831 HUNTWOOD AVENUE HAYWARD, CA 94544
Telephone	510-240-6000
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Industry	Biotechnology & Drugs
Sector	Healthcare
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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 30, 2003

IMPAX LABORATORIES, INC.

(Exact name of Registrant as specified in its charter)

Delaware -----	0-27354 -----	65-0403311 -----
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

30381 Huntwood Avenue
Hayward, CA 94544
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: (510) 476-2000

Item 9. Regulation FD Disclosure.

Item 12. Results of Operations and Financial Condition.

The following information is being furnished pursuant to Item 12 - Results of Operations and Financial Condition and pursuant to Item 9 - Regulation FD Disclosure on this Form 8-K. Such information, including the Exhibit attached hereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934.

On July 28, 2003, the Company issued a press release announcing its results of operations for the three and six months ended June 30, 2003. A copy of that press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Impax Laboratories, Inc.

Date: July 28, 2003

By: /s/ Cornel C. Spiegler

Chief Financial Officer

[IMPAX LOGO]

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IMPAX REPORTS SECOND QUARTER FINANCIAL RESULTS

Quarter Highlighted by Record Revenues and Operating Results Improvement

HAYWARD, Calif (July 28, 2003) - IMPAX Laboratories, Inc. (NASDAQ NM: IPXL) today reported financial results for the three months and six months ended June 30, 2003.

Revenues for the second quarter of 2003 were \$14,067,000, up more than 173% compared with revenues of \$5,145,000 in the prior year's second quarter, and up more than 23% over total revenues of \$11,425,000 in the first quarter of 2003. The significant year-over-year increases came primarily on over-the-counter (OTC) Loratadine and Pseudoephedrine Sulfate Extended Release 12-hour Tablets shipped to Schering-Plough and Wyeth during the second quarter of 2003; sales of Minocycline Hydrochloride Capsules launched in the third quarter of 2002; higher sales of Fludrocortisone Acetate Tablets, introduced at the end of the first quarter of 2002; higher Lipram sales; revenue from our strategic OTC agreements; and lower product returns.

The net loss for the 2003 second quarter was \$2,284,000, or \$(0.05) per share, compared with a net loss of \$5,938,000, or \$(0.13) per share, in the prior year second quarter. The net loss narrowed due to increased sales and improved plant capacity utilization.

For the six months ended June 30, 2003, the Company reported revenues of \$25,492,000 compared with \$8,577,000 in the comparable period of the previous year. The net loss for the first half of 2003 was \$5,497,000 or \$(0.11) per share. This compares with a net loss of \$11,359,000 or \$(0.24) per share for the first half of 2002.

Unrestricted cash, cash equivalents and short-term investments were \$26.8 million at June 30, 2003, compared to \$10.2 million at December 31, 2002. The increase in the cash balance was primarily due to the May 2003 \$25 million private placement.

"The second quarter's results reflect the momentum we have been building in developing our products, moving them through the regulatory and legal pathways and then bringing them to market," said Barry R. Edwards, Co-Chief Executive Officer of IMPAX. "We are comfortable that we will be able to maintain this momentum going forward," Mr. Edwards continued.

IMPAX has 20 applications pending at the FDA, including three tentatively approved that address approximately \$6.2 billion in U.S. branded product sales for the twelve months ended April 30, 2003. Fifteen of these filings were made under Paragraph IV of the Hatch-Waxman Amendments.

IMPAX Laboratories, Inc. is a technology based specialty pharmaceutical company applying its formulation expertise and drug delivery technology to the development of controlled-release and specialty generics in addition to the development of branded products. IMPAX markets its generic products through its Global Pharmaceuticals division and intends to market its branded products through the IMPAX Pharmaceuticals division. Additionally, where strategically appropriate, IMPAX has developed marketing partnerships to fully leverage its technology platform. IMPAX Laboratories is headquartered in Hayward, California, and has a full range of capabilities in its Hayward and Philadelphia facilities. For more information, please visit the Company's Web site at: www.impaxlabs.com.

As previously announced, the Company has scheduled a conference call to discuss this announcement beginning at 8:30 a.m. Eastern Time today. To participate in the call, a few minutes prior to the start time, please dial (888) 803-7396 in the U.S. or (706) 634-1052 for international callers. Those unable to participate are invited to listen to a recording of the call and Question and Answer session from 9:30 a.m. Eastern Time July 28, 2003 through 11:59 p.m. Eastern Time July 30, 2003, by dialing (800) 642-1687 in the U.S. or (706) 645-9291 for international callers, and entering reservation code 1824737. Alternatively, individuals may listen to the call by visiting the investor relations section of the Company's website at www.impaxlabs.com. To listen to the live call, please go to the website 15 minutes prior to its start to register, download, and install the necessary audio software. A recording of the call will be available for 14 days on the site beginning on July 28, 2003.

"Safe Harbor" statement under the Private Securities Litigation Reform Act of 1995:

To the extent any statements made in this news release contain information that is not historical, these statements are forward-looking in nature and express the beliefs and expectations of management. Such statements are based on current expectations and involve a number of known and unknown risks and uncertainties that could cause Impax's future results, performance or achievements to differ significantly from the results, performance or achievements expressed or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to, Impax's ability to obtain sufficient capital to fund its operations, the difficulty of predicting FDA filings and approvals, consumer acceptance and demand for new pharmaceutical products, the impact of competitive products and pricing, Impax's ability to successfully develop and commercialize pharmaceutical products, Impax's reliance on key strategic alliances, the uncertainty of patent litigation, the availability of raw materials, the regulatory environment, dependence on patent and other protection for innovative products, exposure to product liability claims, fluctuations in operating results and other risks detailed from time to time in Impax's filings with the Securities and Exchange Commission. Forward-looking statements speak only as to the date on which they are made, and Impax undertakes no obligation to update publicly or revise any forward-looking statement, regardless of whether new information becomes available, future developments occur or otherwise.

(Tables to follow)

IMPAX LABORATORIES, INC.
STATEMENTS OF OPERATIONS
(dollars in thousands, except share and per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2003	2002	2003	2002
Net sales	\$ 13,460	\$ 5,145	\$ 24,526	\$ 8,577
Other revenues	607	0	966	0
Total revenues	14,067	5,145	25,492	8,577
Cost of sales	9,321	3,982	17,468	7,121
Gross margin	4,746	1,163	8,024	1,456
Research and development	4,347	4,476	8,102	7,366
Less: Teva payments	(22)	(138)	(154)	(304)
Research and development, net	4,325	4,338	7,948	7,062
Selling expenses	438	646	1,006	1,304
General and administrative expenses	2,083	1,939	4,205	4,109
Other operating income (expense), net	10	21	21	(9)
Net loss from operations	(2,090)	(5,739)	(5,114)	(11,028)
Interest income	70	167	112	402
Interest expense	(264)	(366)	(495)	(733)
Net loss	\$ (2,284)	\$ (5,938)	\$ (5,497)	\$ (11,359)
Net loss per share (basic and diluted)	\$ (0.05)	\$ (0.13)	\$ (0.11)	\$ (0.24)
Weighted average common shares outstanding	50,608,445	47,306,741	49,250,049	47,061,223

IMPAX LABORATORIES, INC.
CONDENSED BALANCE SHEET
(in thousands)

	June 30, 2003 (unaudited) -----	December 31, 2002 (unaudited) -----
ASSETS		
Cash, cash equivalents and short-term investments	\$ 26,793	\$ 10,219
Restricted cash (a)	10,000	10,000
Accounts receivable, net	8,584	6,524
Inventory	15,042	10,478
Property, plant and equipment, net	36,600	37,065
Goodwill and intangibles, net	28,145	28,337
Other assets	1,907 -----	1,780 -----
Total assets	\$ 127,071 -----	\$ 104,403 -----
 LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities	\$ 25,843	\$ 23,248
Long-term debt, net of current portion	9,394	9,105
Refundable deposit (b)	22,000	22,000
Deferred revenues and other liabilities	2,737	1,486
Mandatory redeemable convertible preferred stock	7,500	7,500
Stockholders' equity	59,597 -----	41,064 -----
Total liabilities and stockholders' equity	\$ 127,071 =====	\$ 104,403 =====

(a) Represents cash held as collateral for the \$25 million revolving credit facility and term loan with Congress Financial.

(b) As of the date of this press release, we expect to pay the refundable deposit to Teva in IMPAX common stock.