

EMAGIN CORP
Form 10-Q/A
November 03, 2005

**U.S. Securities and Exchange Commission
Washington, D.C. 20549**

FORM 10-Q/A

(Mark One)

Quarterly report under section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended March 31, 2005

Transition report under section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from _____ to _____

Commission file number: 000-24757

eMAGIN CORPORATION

(Exact name of small business issuer as specified in its charter)

DELAWARE **56-1764501**
(State or other jurisdiction (IRS Employer Identification No.)
of incorporation or
organization)

10500 N.E. 8th Street, Suite 1400
Bellevue, WA 98004
(Address of principal executive offices)

(425) 749-3600
(Issuer's telephone number)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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 is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act. Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: As of April 28, 2005 the Registrant had 82,172,176 shares of Common Stock outstanding.

EXPLANATORY NOTE: This Amended Quarterly Report on Form 10-Q/A is being filed for the purpose of amending the form on which the Company previously filed its Amended Quarterly Report on Form 10-Q/A filed by the Company on July 13, 2005. This amended Quarterly Report is being filed for the sole purpose of modifying Exhibits 31.1 and 31.2 *Certification Pursuant to Sarbanes-Oxley Section 302* to complete the statement under 5(a) by including the term: *material weaknesses*. In all other material respects this Amended Quarterly Report on Form 10-Q/A is unchanged from the Amended Quarterly Report on Form 10-Q/A filed by the Company on July 13, 2005.

EMAGIN CORPORATION
FORM 10-Q/A FOR THE THREE MONTHS
ENDED MARCH 31, 2005

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31.2	<u>Certification by Chief Financial Officer pursuant to Sarbanes Oxley Section 302</u> .
32.1	<u>Certification by Chief Executive Officer pursuant to 18 U.S.C. Section 1350</u> .
32.2	<u>Certification by Chief Financial Officer pursuant to 18 U.S. C. Section 1350</u> .

PART I-FINANCIAL INFORMATION

Item 1. Financial Statements.

eMAGIN CORPORATION

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands)

ASSETS	March 31, 2005 (Unaudited)	December 31, 2004
CURRENT ASSETS:		
Cash and cash equivalents	\$ 10,769	\$ 13,457
Accounts receivables, net	507	536
Inventory	2,926	2,018
Prepaid expenses and other current assets	500	880
Total current assets	14,702	16,891
EQUIPMENT AND LEASEHOLD IMPROVEMENTS:		
Less: Accumulated depreciation	(2,956)	(2,767)
Total equipment and leasehold improvements, net	1,348	1,305
Intangible assets		
Less: Accumulated amortization	(3)	(2)
Total intangible assets, net	61	54
Other long-term assets	151	186
Total assets	\$ 16,262	\$ 18,436
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 824	\$ 822
Accrued payroll and benefits	577	674
Other accrued expenses	529	357
Advanced payments	18	64
Current portion of capitalized lease obligation	15	14
Other current liabilities	45	35
Total current liabilities	2,008	1,966
Capitalized lease obligations - long term	18	22
Total liabilities	2,026	1,988
SHAREHOLDERS' EQUITY:		
Common stock, par value \$0.001 per share		
Shares authorized - 100,000,000		
Shares issued and outstanding - 82,072,176 and 79,638,817	82	80
Additional paid-in capital	166,654	165,399
Accumulated deficit	(152,500)	(149,031)
Total shareholders' equity	14,236	16,448
Total liabilities and shareholders' equity	\$ 16,262	\$ 18,436

See notes to financial statements.

eMAGIN CORPORATION**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

(In thousands except per share amounts)

(Unaudited)

	Three Months Ended	Three Months Ended
	March 31, 2005	March 31, 2004
REVENUE:		
Product revenue, net of returns	\$ 690	\$ 540
COST OF GOODS SOLD:		
Direct cost of goods sold	177	209
Production expenses	1,780	1,154
Total cost of goods sold	1,957	1,363
Gross Loss	(1,267)	(823)
OPERATING EXPENSES:		
Research and development	866	8
Stock based compensation	-	84
Selling, general and administrative	1,335	615
Total costs and expenses, net	2,221	707
Interest income (expense), net	19	(5,076)
Net loss	\$ (3,469)	\$ (6,606)
Basic and diluted net loss per common share	\$ (0.04)	\$ (0.13)
Weighted average common shares outstanding	81,432	