

Clovis Oncology, Inc.  
Form 10-Q  
May 08, 2015

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 March 31, 2015.

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 (State or other jurisdiction of incorporation or organization)	90-0475355 (I.R.S. Employer Identification No.)
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2525 28<sup>th</sup> Street, Suite 100

Boulder, Colorado (Address of principal executive offices)	80301 (Zip Code)
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(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 May 1, 2015 was 34,064,765.

CLOVIS ONCOLOGY, INC.

FORM 10-Q

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## PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS  
CLOVIS ONCOLOGY, INC.

## CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(Unaudited)

(In thousands, except per share amounts)

	Three Months Ended March 31,	
	2015	2014
<b>Revenues:</b>		
License and milestone revenue	\$—	\$13,625
<b>Operating expenses:</b>		
Research and development	56,750	24,151
General and administrative	6,751	5,320
Acquired in-process research and development	—	8,406
Amortization of intangible asset	—	3,409
Accretion of contingent purchase consideration	724	822
Total expenses	64,225	42,108
Operating loss	(64,225)	(28,483)
<b>Other income (expense):</b>		
Interest expense	(2,075 )	—
Foreign currency gains (losses)	3,247	(60 )
Other income (expense)	11	(46 )
Other income (expense), net	1,183	(106 )
Loss before income taxes	(63,042)	(28,589)
Income tax expense	(102 )	(2,129 )
Net loss	\$(63,144)	\$(30,718)
Basic and diluted net loss per common share	\$(1.86 )	\$(0.91 )
Basic and diluted weighted average common shares outstanding	34,011	33,820
Comprehensive loss	\$(88,971)	\$(30,199)

See accompanying Notes to Unaudited Consolidated Financial Statements.

## CLOVIS ONCOLOGY, INC.

## CONSOLIDATED BALANCE SHEETS

(Unaudited)

(In thousands, except for share amounts)

	March 31, 2015	December 31, 2014
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$291,542	\$482,677
Available-for-sale securities	141,833	—
Prepaid research and development expenses	3,072	3,765
Other current assets	5,257	4,730
Total current assets	441,704	491,172
Property and equipment, net	3,316	2,718
Intangible assets	187,916	212,900
Goodwill	58,303	66,055
Other assets	13,470	13,361
Total assets	\$704,709	\$786,206
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$7,373	\$2,917
Accrued research and development expenses	44,547	37,257
Other accrued expenses	3,764	7,598
Total current liabilities	55,684	47,772
Contingent purchase consideration	49,659	52,453
Deferred income taxes, net	59,006	66,851
Convertible senior notes	287,500	287,500
Deferred rent, long-term	271	—
Total liabilities	452,120	454,576
Commitments and contingencies (Note 14)		
Stockholders' equity:		
Preferred stock, par value \$0.001 per share; 10,000,000 shares authorized, no shares issued		
and outstanding at March 31, 2015 and December 31, 2014	—	—
Common stock, \$0.001 par value per share, 100,000,000 shares authorized at March 31, 2015		
and December 31, 2014; 34,062,571 and 33,977,187 shares issued and outstanding at		
March 31, 2015 and December 31, 2014, respectively	34	34
Additional paid-in capital	795,019	785,089
Accumulated other comprehensive loss		