

INTEVAC INC

FORM 8-K (Current report filing)

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Address	3560 BASSETT STREET SANTA CLARA, CA, 95054
Telephone	4089869888
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Industry	Industrial Machinery & Equipment
Sector	Industrials
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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

April 22, 2003

Date of Report (date of earliest event reported)

INTEVAC, INC.

(Exact name of Registrant as specified in its charter)

State of California	0-26946	94-3125814
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(IRS Employer Identification Number)

3560 Bassett Street
Santa Clara, CA 95054
(Address of principal executive offices)

(408) 986-9888
(Registrant's telephone number, including area code)

N/A
(Former name or former address if changed since last report)

Item 9. Regulation FD Disclosure (pursuant to Item 12)

In accordance with SEC Release No. 33-8216, the following information, intended to be furnished under "Item 12. Results of Operations and Financial Condition," is instead furnished under "Item 9. Regulation FD Disclosure."

On April 22, 2003, Intevac, Inc. issued a press release announcing its results for the three months ended March 29, 2003. The press release is attached as Exhibit 99.1.

Item 7. Financial Statements and Exhibits

(c) Exhibits

99.1 Press Release.

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.

INTEVAC, INC.

Date: April 22, 2003

By: /s/ CHARLES B. EDDY III

Charles B. Eddy III
Vice President, Finance and Administration,
Chief Financial Officer, Treasurer and Secretary

Intevac Reports First-Quarter 2003 Financial Results; NightVista Low-Light Camera Line Introduced

SANTA CLARA, Calif.--(BUSINESS WIRE)--April 22, 2003--Intevac, Inc. (Company) (Nasdaq: IVAC), today reported financial results for the three-month period ended March 29, 2003.

Revenues for the three-month period ended March 29, 2003, were \$12.0 million compared to \$6.7 million for the three-month period ended March 30, 2002. The increase in revenues was attributable to the acceptance of \$7.3 million of upgrades to flat panel display manufacturing systems that were shipped in early 2002 and which did not contribute materially to gross profit. Net loss for the first quarter of 2003 was (\$4.0) million or (\$0.33) per diluted share. The (\$4.0) million loss included the effect of the establishment of a \$293,000 reserve for disposition of fixed assets that are no longer being used and the establishment of a \$293,000 cost-to-market reserve related to a MDP-250B disk sputtering system in inventory.

Backlog totaled \$12.2 million at March 29, 2003, compared to \$18.2 million at December 31, 2002, and \$27.3 million at March 30, 2002. The 2003 reduction was the result of the above-mentioned revenue recognition of flat panel display manufacturing equipment upgrades.

Intevac President and Chief Executive Officer Kevin Fairbairn commented: "We continue on track with our imaging business with a major milestone in the first quarter being the announcement and first shipment of our NightVista(TM) brand of low-light video cameras utilizing our revolutionary EBAPS(TM) sensor technology. This solid state sensor technology is targeted to replace the night-vision vacuum tube products used today. We are excited about the significant market opportunities for our low-light camera technology in both the military and commercial markets.

"In our Equipment Products business we made a strategic decision to narrow our focus to the hard disk drive industry where we believe we have greater opportunity and presence," Fairbairn continued. "During the quarter we made significant progress on the development of a new system, called the 200 Lean, which is intended to address the technology and productivity needs of the hard disk drive industry for their next round of investments. The Lean name reflects both the small footprint of the system and the compatibility with our customers' lean manufacturing approaches."

Conference Call Information

The Company will discuss its financial results in a conference call April 22, 2003, at 1:30 p.m. Pacific time. To participate in the teleconference, please call toll-free (800) 291-8929 prior to the start time. For international callers, the dial-in number is (706) 634-0478. Live and archived replays of the call will be available via the Internet at the Company's website, www.Intevac.com.

Additionally, a telephone replay of the call will be available for 48 hours beginning at 4:30 p.m. PDT on April 22, 2003. You may access the playback by calling (800) 642-1687 or, for international callers, by calling (706) 645-9291 and providing Conference ID 9668041.

About Intevac

Intevac is developing revolutionary photonics products that address potentially large commercial and military markets. The Company also produces sophisticated manufacturing equipment used in the manufacture of high technology products and is leveraging its equipment expertise to enable cost-effective production of new photonics products. Intevac's photonics products are high-speed electro-optical devices that detect light with extraordinary sensitivity. The Company's proprietary technology makes possible products such as LIVAR(R), a long-range target identification system and video cameras with night-vision capability. Intevac's equipment products are designed to deposit or modify highly engineered thin-films of material on a variety of substrates. These systems are designed for continuous high volume manufacturing of precision thin-film products such as magnetic media for hard drives. For more information call 408-986-9888 or visit the Company's website at www.intevac.com.

LIVAR(R) is a registered trademark of Intevac

Safe Harbor Statement

This press release includes statements that constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 (the "Reform Act"). Intevac claims the protection of the safe-harbor for forward-looking statements contained in the Reform Act. These forward-looking statements are often characterized by the terms "may," "believes," "projects," "expects," or "anticipates," and do not reflect historical facts. Specific forward-looking statements contained in this press release include, but are not limited to, the Company's statement that its NightVista(TM) product line is targeted to replace night vision tubes in military and commercial markets. The forward-looking statements contained herein involve risks and uncertainties that could cause actual results to differ materially from the Company's expectations. These risks and other factors are detailed the Company's regular filings with the Securities and Exchange Commission.

CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share amounts)

	3 months ended	
	Mar. 29, 2003	Mar. 30, 2002
	(Unaudited)	(Unaudited)
Net revenues		

Equipment Products	\$10,417	\$4,935
Commercial Imaging	1	-
Photonics Technology	1,597	1,735
Total net revenues	12,015	6,670
Gross profit (loss)	1,160	963
Gross margin		
Equipment Products	8.3%	15.5%
Commercial Imaging	100.0%	-
Photonics Technology	18.7%	11.3%
Consolidated	9.7%	14.4%
Operating expenses		
Research and development	2,629	3,129
Selling, general and administrative	1,925	1,710
Total operating expenses	4,554	4,839
Operating income/(loss)		
Equipment Products	(1,220)	(2,651)
Commercial Imaging	(869)	-
Photonics Technology	(758)	(698)
Corporate	(547)	(527)
Total operating loss	(3,394)	(3,876)
Other income (expense)	(618)	(469)
Profit/(Loss) before provision for income taxes	(4,012)	(4,345)
Provision for (Benefit from) income taxes	-	(2,214)
Net Income/(Loss)	(\$4,012)	(\$2,131)
Income (loss) per share		
Basic	(\$0.33)	(\$0.18)
Diluted(a)	(\$0.33)	(\$0.18)
Weighted average common shares outstanding		
Basic	12,164	12,041
Diluted(a)	12,164	12,041

(a) Diluted earnings per share exclude "as converted" treatment of the Company's 6 1/2% Convertible Subordinated Notes Due 2004 and the Company's 6 1/2% Convertible Subordinated Notes Due 2009 and the effect of outstanding stock options when these potentially dilutive securities are anti-dilutive to earnings per share.

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands)

ASSETS	Mar. 29, 2003	Dec. 31, 2002
Current assets		
Cash, cash equivalents and short term investments	\$23,123	\$28,457
Accounts receivable, net	5,934	4,991
Income taxes recoverable	214	214
Inventories - production	5,975	5,957
Inventories - pending acceptance at customer site	3,184	9,914
Prepaid expenses and other current assets	864	961
Total current assets	39,294	50,494
Property, plant and equipment, net	6,473	6,793
Investment in 601 California Avenue LLC	2,431	2,431
Debt issuance costs and other	555	580
Total assets	\$48,753	\$60,298
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Notes payable	\$1,025	-
Accounts payable	2,174	1,739
Accrued payroll and related liabilities	1,361	1,379
Other accrued liabilities	2,914	3,723
Customer advances	5,053	12,344
Total current liabilities	12,527	19,185
Convertible notes	29,542	30,568
Shareholders' equity		
Common stock	19,540	19,389
Retained earnings (deficit)	(12,856)	(8,844)

Total shareholders' equity	6,684	10,545
Total liabilities and shareholders' equity	\$48,753	\$60,298
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CONTACT: Intevac, Inc., Santa Clara
Charles Eddy, 408/986-9888
or
Silverman Heller Associates
Dan Matsui/Eugene Heller, 310/208-2550
dmatsui@sha-ir.com