

AXCELIS TECHNOLOGIES INC

Form 10-Q

August 06, 2010

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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 June 30, 2010

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 000-30941

AXCELIS TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

34-1818596
(IRS Employer
Identification No.)

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108 Cherry Hill Drive
Beverly, Massachusetts 01915
(Address of principal executive offices, including zip code)

(978) 787-4000

(Registrant's telephone number, including area 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, of any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T 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

Smaller reporting company

(Do not check if a 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 August 4, 2010 there were 104,649,926 shares of the registrant's common stock outstanding.

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Table of Contents**PART 1 FINANCIAL INFORMATION****Item 1. Financial Statements.****Axcelis Technologies, Inc.****Consolidated Statements of Operations****(In thousands, except per share amounts)****(Unaudited)**

	Three months ended June 30,		Six months ended June 30,	
	2010	2009	2010	2009
Revenue				
Product	\$ 50,693	\$ 25,764	\$ 90,971	\$ 43,498
Service	7,510	7,611	15,732	15,395
Royalties from SEN		175		385
	58,203	33,550	106,703	59,278
Cost of revenue				
Product	33,690	22,658	64,010	40,890
Service	4,645	5,006	9,818	9,495
	38,335	27,664	73,828	50,385
Gross profit	19,868	5,886	32,875	8,893
Operating expenses				
Research and development	9,477	7,752	18,610	17,287
Sales and marketing	6,606	6,285	13,210	13,164
General and administrative	7,464	8,531	15,164	19,201
Restructuring charges		4,114		5,098
	23,547	26,682	46,984	54,750
Loss from operations	(3,679)	(20,796)	(14,109)	(45,857)
Other income (expense)				
Gain on sale of SEN				1,080
Equity loss of SEN				(3,238)
Interest income	25	30	54	93
Interest expense				(1,676)
Other, net	342	(1,311)	(65)	(1,516)
	367	(1,281)	(11)	(5,257)
Loss before income taxes	(3,312)	(22,077)	(14,120)	(51,114)
Income taxes	1,217	302	1,510	420
Net loss	\$ (4,529)	\$ (22,379)	\$ (15,630)	\$ (51,534)

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Net loss per share

Basic and diluted net loss per share	\$	(0.04)	\$	(0.22)	\$	(0.15)
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