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Zacks Small-Cap Research

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CombiMatrix Cp (CBMX-NASDAQ)

CBMX: Record Testing Volumes, Reimbursement May Be Firming Up. Maintaining Buy Rec

Current Recommendation	**Buy**
Prior Recommendation	N/A
Date of Last Change	07/07/2014
Current Price (05/12/15)	$1.68
Target Price	**$3.50**

OUTLOOK

Molecular diagnostics company CBMX has offered a variety of genetic tests for various indications but just recently shifted the majority of its focus for growth on chromosomal microarray analysis (CMA) in the prenatal setting. A relatively novel genetic testing method, CMA has gained more attention due to two recent NEJM-published studies and a recommendation from an influential trade association supporting its use in prenatal analysis. CBMX is positioning itself to exploit an industry shift away from the current standard testing method towards CMA by expanding distribution, entering into key partnerships and leveraging competitive advantages. Early indications are that this plan is already bearing fruit.

SUMMARY DATA

52-Week High	**$2.70**
52-Week Low	**$1.09**
One-Year Return (%)	**-18.26**
Beta	**0.13**
Average Daily Volume (sh)	**84,355**
Shares Outstanding (mil)	**13**
Market Capitalization ($mil)	**$22**
Short Interest Ratio (days)	**3.76**
Institutional Ownership (%)	**14**
Insider Ownership (%)	**2**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**17.9**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2015 Estimate	**N/A**
P/E using 2016 Estimate	**N/A**
Zacks Rank	**N/A**

Risk Level	**Above Avg.,**
Type of Stock	**Small-Blend**
Industry	**Instru-Scientfc**

ZACKS ESTIMATES

Revenue
(in 000s of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2014	1,822 A	1,941 A	2,062 A	2,217 A	8,042 A
2015	2,329 A	2,461 E	2,692 E	2,979 E	10,460 E
2016					15,948 E
2017					21,747 E

Earnings per Share

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2014	-$0.18 A	-$0.23 A	-$0.23 A	-$0.15 A	-$0.79 E
2015	-$0.15 A	-$0.13 E	-$0.13 E	-$0.12 E	-$0.53 E
2016					-$0.31 E
2017					-$0.17 E

Zacks Projected EPS Growth Rate - Next 5 Years % **N/A**

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WHAT'S NEW….

Q1: Record Testing Volumes/Revenues. Firming Up Reimbursement, New Product Launches, New Payers Could Spell Even Steeper Growth…

CBMX reported financial results for the first quarter ending March 31. Results on both the top and bottom lines came in almost right on our numbers, although there were some differences in product mix. Particularly positive were that microarray testing volumes and revenues set another new record and, perhaps even more encouraging, is that across-the-board reimbursement showed a nice firming up in the quarter.

As a reminder, the company recently hired an experienced payer-relations professional to address the reimbursement issues. On the call management noted that cash collections in Q1 were the highest ever. Management sounded cautiously optimistic that reimbursement levels may now have bottomed and may be flattish or even tick slightly up going forward. That would be a significant development as softening reimbursement has been an issue and was particularly pronounced in late 2014. CBMX has done a great job in ramping testing volumes and if sliding reimbursement was removed as a headwind, revenue and the bottom line could improve even more rapidly.

And there were other recent highlights that also bode well for incremental near-term growth – those being the recently introduced CombiPGS (in-vitro fertilization genetic screen which is cash pay and not impacted by reimbursement) test, new cheek swab option, onboarding of additional payers (two of which went live in 2015) and greater inflection from the Sequenom partnership (which meaningfully contributed to the growth in Q1). And CBMX expects another resurgence in hiring to fill spots in its sales territories, aiming to have 18 reps detailing by the summer, up from 12 / 13 today. Finally, the recent litigation settlement means that thorn is removed, allowing management to fully concentrate on the core business and with the almost $5M (gross) recent raise, the company has a decent runway of funds.

Q1 Numbers: In-Line w/ Ours. Maintaining Buy Rec, $3.50/share Price Target…

Microarray remains on a tear. Microarray volumes and revenues, at 1,673 and $2.05M were both all-time records and represented yoy increases of 22% and 20% respectively. Prenatal microarray also set a new record at 1,206 tests – this is a 7% jump from the prior record set in Q4 2014 and is up almost 64% from the year earlier comparable period.

But growth wasn't just confined to microarray. Non-microarray volumes jumped 121% yoy and 7% sequentially with management pointing to an uptick in activity with their partner, Sequenom. As a reminder, CBMX employs a mutli-channel commercialization strategy. This includes sales through their direct reps, alliances with partners such as Sequenom (which has significant customer reach) and partnerships with pathology groups. While most of the revenue growth traction to-date has been with expansion of the direct sales force and into new territories (and dually supported by new payer agreements and data supporting CMA) these other channels appear to be making a more meaningful contribution as of late.

Total billable tests were 2,345 – also a record and up 40% yoy and 2% sequentially and just about dead on with our 2,348 estimate. The yoy jump in total tests is particularly impressive given that the oncology platform, which was discontinued in mid- 2014 contributed 116 tests in Q1 2014 (7% of total volume) but zero in the most recent period. Ex-oncology, total billable tests increased by almost 51%.

While management does not provide specifics in terms of where the growth is coming from, we continue to believe that our thesis that growth is coming from replacement of legacy testing methods such as karyotyping and an overall expansion of the prenatal testing market is being validated. Additional payers are coming onboard which further supports the benefits of CMA as does recent clinical data.

In terms of reimbursement, Q1 total average reimbursement was $975/test, which is up sequentially from $955 in Q4 2014 (up 2%). But the current quarter mix of tests included a higher proportion of non-microarrays, which are paid at a much lower rate than microarrays. Adjusting for the difference in product mix, average reimbursement would have increased by over 4%. As noted, management indicated on the call that they think prenatal test reimbursement may be at or near bottom.

Q1 total revenue of $2.3M was up 28% yoy, up 5% sequentially and just a hair under our $2.4M estimate. While we hit total billable tests just about right on, there was a small difference in estimated and actual revenue due to a variance in product mix (and the fact that different products are reimbursed at different amounts). Q1 marked the seventh straight quarter where testing services revenue set a new all-time record. And while non-microarray was a larger contributor to total revenue than in the recent past, prenatal microarray continues to be the catalyst driving the top-line, accounting for 67% of total revenue in Q1 and 85% of the yoy revenue growth.

	Q1 E	Q1 A
Total Prenatal / POC Mkt size	$420,000	$420,000
Total Prenatal / POC Mkt share	0.35%	0.37%
Non-Prenatal Microarray growth rate	0.0%	-26.1%
Non-Prenatal $ per test	$1.040	$1.040
Non-Prenatal Microarray Revenue	$657	$497
Number of Non-Prenatal tests	632	467
Number of tests		
Total Prenatal Microarray tests	1,266	1,206
prenatal as %of total microarray tests	67%	72%
YOY Growth	*71.8%*	*63.6%*
Total Microarray tests	1,898	1,673
microarray %of total tests	81%	71%
YOY Growth	*38.6%*	*22.2%*
Non-microarray tests	450	672
non-microarray %of total tests	19%	29%
YOY Growth	*48.0%*	*121.1%*
Total Billable tests	**2,348**	**2,345**
YOY Growth	*40.3%*	*40.2%*
Revenue per test		
Prenatal microarrays	$1.255	$1.289
All microarrays	$1.183	$1.226
Non-microarrays	$0.320	$0.351
Total	**$1.018**	**$0.975**
Total revenue per test		
Prenatal microarrays	$1,589	$1,554
YOY Growth	*41.6%*	*38.5%*
All microarrays	$2,246	$2,051
YOY Growth	*31.0%*	*19.7%*
Non-microarrays	$144	$236
YOY Growth	*89.4%*	*210.5%*
Total	**$2,390**	**$2,287**
YOY Growth	*33.5%*	*27.8%*
Diagnostic Svcs	$2,390.1	$2,287.0
YOY Growth	*33.5%*	*27.8%*
Royalties	$40.0	$42.0
YOY Growth	*25.0%*	*31.3%*
Total Revenues	$2,430.1	$2,329.0
YOY Growth	*33.4%*	*27.8%*

Service margin, likely benefitting from some strength in reimbursement and improved collections, was a very healthy 46.2%, compared to 44.2% in the year-earlier period and the highest since Q4 2013. Lab efficiencies, higher testing volumes and benefits realized from recently implemented reimbursement initiatives have us continuing to model improvement in GM for the full year 2015 as compared to 2014.

Q1 OpEx was $2.7M, slightly higher than our $2.5M estimate. We think this may come down slightly in the coming quarters, at least on a pre-revenue basis. Q1 net loss and EPS at $1.8M and ($0.15) were largely in-line with our $1.7M and ($0.14) estimates.

We have made only minor changes to our model following Q1 results. We look for 2015 revenue and EPS of $10.5M (+30% yoy) and ($0.53), compared to $8.4M and ($0.79) in 2014. We are maintaining our Buy recommendation and $3.50/share price target. We continue to believe certain perceived risks that have hung over the company have been overblown and, with the recent resolution of the lawsuit, have and will continue to dissipate.

Strathman Will Not Pursue Further Litigation

In late April CombiMatrix (CBMX) announced that they and Michael Strathman, the plaintiff (and former employee of CBMX) in the lawsuit against the company, have consummated a settlement agreement. In return for CBMX agreeing to not pursue reimbursement of legal costs, Strathman has relinquished his rights to continue the litigation. This includes any potential appeals to the final decision by the Superior Court of California, which was issued in early March in favor of CBMX, as well as retraction of plaintiff's motion to vacate that judgment.

As a reminder, Strathman filed the lawsuit in early 2011, claiming CombiMatrix filed false insurance claims related to a prior lawsuit. The lawsuit was dismissed by the court later in 2011. An appeals court reversed this decision in late 2012 and the case was then remanded to the Superior Court of California.

Strathman filed an amended complaint and, following an unsuccessful motion by CBMX for the court to rule in their favor without a trial, on January 6, 2015 the Superior Court issued a tentative ruling in favor of CombiMatrix and against all claims of Michael Strathman. The court specifically determined that the defendants had no fraudulent intent. Plaintiff subsequently filed an objection to the ruling.

Then on March 12th CombiMatrix announced that the Superior Court of California had issued a final decision in favor of CombiMatrix (and the two other defendants named in the lawsuit) and against Strathman. This was the third ruling in CBMX's favor.

The lawsuit has hung over CombiMatrix like a dark cloud given the ambiguity of potential damages if the company came out on the losing end. Court documents suggested that damages could be as much as $75 million. As we noted following the Court's decisions in CBMX's favor in January and March, we felt perceived risks related to this lawsuit were overblown and were a significant headwind to appreciation of the share price towards what we believe is fair value, approximately $3.50.

LDT oversight more bark than bite…

Another potential overhang on the stock has been FDA's recent guidance on additional regulation of laboratory developed tests (LDTs). FDA has historically had discretion regarding regulation of these tests. But in the summer 2014 FDA issued a guidance document to Congress notifying them that the agency intends to propose risk-based oversight framework for LDTs which are designed, manufactured and used within a single lab. A draft guidance document was issued in October detailing more specifics. This oversight is expected to include premarket review for what the agency will classify as higher-risk tests that compete against already FDA-approved companion diagnostics and a potential phase-in over time of premarket review for other high risk and moderate risk LDTs.

The only requirement so far is for LDT manufacturers to notify FDA that they are currently making and using these tests and to provide information about the tests. The guidance recommends that premarket review begin 12 months after the guidance is finalized for the highest risk LDTs, for it to phase in over four years for the remaining high risk devices and for premarket review to begin five years after the guidance is finalized for moderate risk devices.

Exactly what might be involved in the premarket review still isn't clear. What is clear, however, is that FDA believes many of the LDTs already on the market have been validated by clinical studies and literature and that the agency will use this as part of its review. Per the draft guidance, "FDA emphasizes that it is the Agency's practice to leverage such information from the literature in lieu of requiring additional studies to demonstrate clinical validity. In these cases FDA may still require studies demonstrating device performance (e.g., analytical evaluations) but generally intends to rely on the scientific literature to support clinical validity if appropriate. FDA intends to work with the laboratory community, the healthcare professional community and other stakeholders to determine whether an LDT's clinical validity has already been established in the literature."

And while this premarket review (i.e. – FDA clearance) requirement will likely apply to most LDTs, including CBMX's, we think the financial and operational risk to CBMX is minimal. For one, the premarket review phase-in period could be as long as five years. And secondly, and most important, is that as we have highlighted in our coverage of CBMX, there is significant clinical evidence and published studies demonstrating the performance of the company's tests. We also note that there are over 11,000 LDTs currently commercialized by more than 2,000 labs and we think it is unlikely that FDA will implement an approval process that is so stringent and costly that it could have the effect of potentially decimating this hugely important cog in the medical diagnostics space.

New Product Launches Further Build Out CBMX's Microarray Testing Menu
CBMA recently launched two new tests which further builds out their women's health microarray testing menu and which should incrementally benefit revenue growth. In November 2014 CombiPGS, an in-vitro fertilization genetic screening test was launched. CombiPGS is targeting IVF physicians and will be used prior to implantation to assess the embryos for chromosomal abnormalities. CombiPGS not only expands CBMX's footprint to now include IVF but also provides the benefit that this will be all customer cash-pay, which eliminates any issues of insurance reimbursement.

And in December Targeted Array for Prenatal Analysis was launched which addresses the issue of arrays returning results with variants of unknown significance (VOUS). While chromosomal microarray (CMA) is a very powerful tool in evaluating prenatal development disorders, there is still a lot to learn about the human genome, which means that CMA can return results with uncertain clinical significance. The issue with VOUS is that this can cause patient anxiety and often requires that counselors be available to address this. It has also been cited as perhaps constraining uptake, at least to a certain extent of CMA in place of karyotyping. CBMX's Targeted Array focuses only on certain chromosomal abnormalities that are specific to the needs of each maternal fetal medicine practice, thereby reducing the risk of VOUS. We think the test could hold meaningful promise and will be eagerly awaiting future updates on demand and uptake of the test.

Add'l Study Data Supports CMA's Superiority Over Standard Genetic Testing…

CBMX presented new study data at the American Society of Human Genetics Annual Meeting in October which provides additional support of the superiority of CMA as compared to standard prenatal genetic testing. The study included 3,408 samples from both fresh tissue (n = 2,712) and tissue preserved (n = 564) with formalin and embedded paraffin (FFPE) which were analyzed by three CMA platforms; BAC-aCGH, oglio-aCGH and SNP array. SNP, one of the platforms that CBMX utilizes, demonstrated the highest abnormality detection rate at 53.8%.

CMA analysis provided a successful result in 86.5% (2,345/2,712) of the fresh samples and 87.2% (492/564) of the preserved samples. This relatively high success rate is similar to other studies which have shown CMA provides a successful result between 87% and 98% of the time while karyotyping, the standard products of conception testing method, produces a successful result only about 60% - 70% of the time.

The lower success rate of karyotyping is largely due to the need to culture the cells (which is not required with CMA) for a period prior to analysis, during which time the cells may die. This "culture failure" can occur in as many as 20% - 55% of cases, making karyotyping much less reliable than CMA given that the latter can analyze non-living tissue.

OUTLOOK / VALUATION

OUTLOOK

CombiMatrix's prenatal microarray testing volumes increased 272% (983 to 3,660) from 2012 to 2014 while their non-prenatal microarray testing volumes fell 16% (2,641 to 2,223) over the same period, reflecting the company's deliberate strategic shift to focus on the area that holds the most potential for long-term growth. While recent growth benefitted from the company allocating the bulk of sales efforts towards the prenatal microarray market, as well as potentially from the NEJM articles, the addition of other catalysts along with what we believe are important competitive advantages of CBMX have the potential to extend this growth momentum of prenatal microarray testing over the long-term. And as prenatal microarray per-test revenue and margins are the highest among the company's testing segments, this is also where the bulk of the opportunity for profitability lies.

The ACOG Committee Opinion was published in December 2013 and we also expect this, along with the supporting December 2012 NEJM articles and more recent clinical data presentations, to help build awareness of the benefits of prenatal chromosomal microarray testing - although we view the benefit of these as more longer-term catalysts in helping to shape changes in clinical practice away from the use of karyotyping and towards the use of chromosomal microarray. We also assign real value to CBMX's competitive strengths including; 1) their sales strategy, whereby they will detail to several decision-makers,

including the pathologist, in order to increase the number of shots on goal, 2) high-level, high-expertise, on-staff counseling services and 3) test turnaround times that are as fast or faster than their competitors'. And in, addition, new product launches including the CombiPGS (IVF) test and Targeted Array which both launched in late 2014 have the potential to expand to new markets and further penetrate existing markets.

We estimate the market size directly related to CBMX's prenatal / POC microarray offerings at approximately $400M or more. As a placeholder for now, we assume this market expands at approximately 5% per year. The company has already made some headway in penetrating this market - particularly in miscarriage analysis, although we think 90%+ of this market remains virtually untapped. Almost all of our anticipated revenue growth for every modeled period is coming from prenatal microarray while we model flat growth of non-prenatal microarray and non-microarray testing.

Our 2015 revenue growth, including +48% from prenatal microarray testing, is driven from the recent and ongoing expansion of the sales force, new payor contracts, greater awareness and some incremental growth from new products.

Beyond 2015 we think contribution from the additional, aforementioned catalysts begin to make a more substantial impact. We also think it is not unreasonable to believe that additional future studies and publications will provide further insight into the human genome, soften certain current headwinds to adoption of CMA (i.e. - provide more knowledge related to variants of unknown significance) and provide support for the utility of chromosomal microarray analysis in the prenatal space. These catalysts should result in steepening of the rate of adoption of chromosomal microarray analysis. This, coupled with the company's competitive positioning and our assumption that CBMX continues to grow their distribution footprint via incremental expansion of their sales force and, possibly, additional partnerships, provide what we believe will be a position of strength for CBMX in terms of being able to increase penetration of their target prenatal markets and grow revenue over the long-term.

We currently model CBMX achieving just under 2% penetration of the targeted prenatal microarray markets in 2015 and this growing to ~mid-single digit penetration by 2018 and approximately 10% by 2022. Additional new product launches could prompt an upward revision to our forecast, particularly as it relates to our out-years. We look for incremental widening of gross margin as prenatal microarray, the highest priced of the company's tests, grows to account for an ever larger proportion of total revenue. We model improvement in leverage in operating expenses during the current year, reflecting lower litigation expense compared to 2014 and increased efficiencies from the sales force.

VALUATION

We use a 10-year DCF model to value CBMX. We model revenue to grow from $8.0M in 2014 to $30M in 2018 and to $85.0M in 2024, representing a 10-year CAGR of 27%. We believe our revenue estimates are reasonable, particularly as out our out-year number assumes just less than 13% penetration of the estimated prenatal chromosomal microarray analysis market at that time. And, as noted, we model relatively flat growth of all other testing segments, which is also arguably conservative. We also do not incorporate contribution from any new products that CBMX may potentially bring to market through the term of DCF - new product launches and/or a higher rate of revenue growth (relative to our assumptions) from existing tests could provide some upside to our numbers and associated calculated valuation.

Other key inputs into our DCF include a 9% discount rate and 2% terminal growth rate. Based on our DCF model, CBMX is valued at approximately $3.50/share. We are maintaining our Buy rating and $3.50/share price target.

FINANCIAL MODEL

CombiMatrix Corporation

	2014 A	Q1A	Q2E	Q3E	Q4E	2015 E	2016 E	2017 E	2018 E
Prenatal microarrays	$5,072	$1,554	$1,718	$1,998	$2,256	$7,526	$13,759	$19,541	$27,130
YOY Growth	*42.8%*	*38.5%*	*40.7%*	*52.2%*	*59.3%*	*48.39%*	*82.82%*	*42.02%*	*38.84%*
All microarrays	$7,318	$2,051	$2,198	$2,429	$2,726	$9,404	$15,488	$21,287	$28,877
YOY Growth	*26.1%*	*19.7%*	*22.8%*	*32.2%*	*37.9%*	*28.51%*	*64.69%*	*37.45%*	*35.65%*
Non-microarrays	$575	$236	$223	$223	$213	$894	$300	$300	$300
YOY Growth	*42.6%*	*210.5%*	*92.1%*	*27.9%*	*1.8%*	*55.50%*	*-66.45%*	*0.00%*	*0.00%*
Total	**$7,893**	**$2,287**	**$2,421**	**$2,652**	**$2,939**	**$10,298**	**$15,788**	**$21,587**	**$29,177**
YOY Growth	*27.2%*	*27.8%*	*27.0%*	*31.9%*	*34.4%*	*30.47%*	*53.30%*	*36.74%*	*35.16%*
Diagnostic Svcs	$7,893.0	$2,287.0	$2,421.0	$2,651.8	$2,938.6	$10,298.4	$15,787.6	$21,587.3	$29,176.7
YOY Growth	*27.2%*	*27.8%*	*27.0%*	*31.9%*	*34.4%*	*30.47%*	*53.30%*	*36.74%*	*35.16%*
Royalties	$149.0	$42.0	$40.0	$40.0	$40.0	$162.0	$160.0	$160.0	$160.0
YOY Growth	*-8.6%*	*31.3%*	*14.3%*	*-21.6%*	*29.0%*	*8.72%*	*-1.2%*	*0.0%*	*0.0%*
Total Revenues	$8,042.0	$2,329.0	$2,461.0	$2,691.8	$2,978.6	$10,460.4	$15,947.6	$21,747.3	$29,336.7
YOY Growth	*26.3%*	*27.8%*	*26.8%*	*30.5%*	*34.4%*	*30.1%*	*52.5%*	*36.4%*	*34.9%*
Cost of Services	$4,432.0	$1,230.0	$1,370.3	$1,511.5	$1,636.8	$5,748.6	$8,414.8	$10,987.9	$14,471.6
Gross Income	$3,610.0	$1,099.0	$1,090.7	$1,180.3	$1,341.8	$4,711.8	$7,532.8	$10,759.4	$14,865.0
Services Margin	*43.8%*	*46.2%*	*43.4%*	*43.0%*	*44.3%*	*45.0%*	*46.7%*	*49.1%*	*50.4%*
R&D	$725.0	$157.0	$181.0	$174.0	$167.0	$679.0	$918.0	$971.0	$888.0
% R&D	*9.0%*	*6.7%*	*7.4%*	*6.5%*	*5.6%*	*6.5%*	*5.8%*	*4.5%*	*3.0%*
SG&A	$11,525.0	$2,665.0	$2,710.0	$2,756.0	$2,767.0	$10,771.0	$12,184.0	$14,179.2	$16,487.2
% SG&A	*143.3%*	*114.4%*	*110.1%*	*102.4%*	*92.9%*	*103.0%*	*76.4%*	*65.2%*	*56.2%*
Patent amort. & royalties	$114.0	$25.0	$26.0	$26.0	$26.0	$103.0	$120.0	$110.0	$110.0
Goodwill impairment	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Operating Income	($8,754.0)	($1,748.0)	($1,692.3)	($1,681.7)	($1,719.2)	($6,841.2)	($5,689.2)	($4,500.9)	($2,620.2)
Operating Margin	*-108.9%*	*-75.1%*	*-68.8%*	*-62.5%*	*-57.7%*	*-65.4%*	*-35.7%*	*-20.7%*	*-8.9%*
Total Other income	$47.0	($17.0)	($10.0)	($15.0)	($20.0)	($62.0)	($150.0)	($175.0)	($150.0)
Pre-Tax Income	($8,707.0)	($1,765.0)	($1,702.3)	($1,696.7)	($1,739.2)	($6,903.2)	($5,839.2)	($4,675.9)	($2,770.2)
Taxes	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Tax Rate	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Preferred Dividends	$0	$0	$0	$33	$0	$33	$0	$0	$0
Net Income	($8,707.0)	($1,765.0)	($1,702.3)	($1,729.7)	($1,739.2)	($6,936.2)	($5,839.2)	($4,675.9)	($2,770.2)
YOY Growth	*-28.7%*	*-11.6%*	*-34.0%*	*-31.2%*	*7.6%*	*-20.3%*	*-15.8%*	*-19.9%*	*-40.8%*
Net Margin	*-108.3%*	*-75.8%*	*-69.2%*	*-64.3%*	*-58.4%*	*-66.3%*	*-36.6%*	*-21.5%*	
EPS	($0.79)	($0.15)	($0.13)	($0.13)	($0.12)	($0.53)	($0.31)	($0.17)	($0.10)
YOY Growth	*-74.5%*	*-18.1%*	*-43.3%*	*-41.0%*	*-19.1%*	*-32.8%*	*-41.3%*	*-45.3%*	*-40.8%*
Diluted Shares O/S	11,029	11,796	12,885	12,902	14,700	13,071	18,742	27,446	27,446

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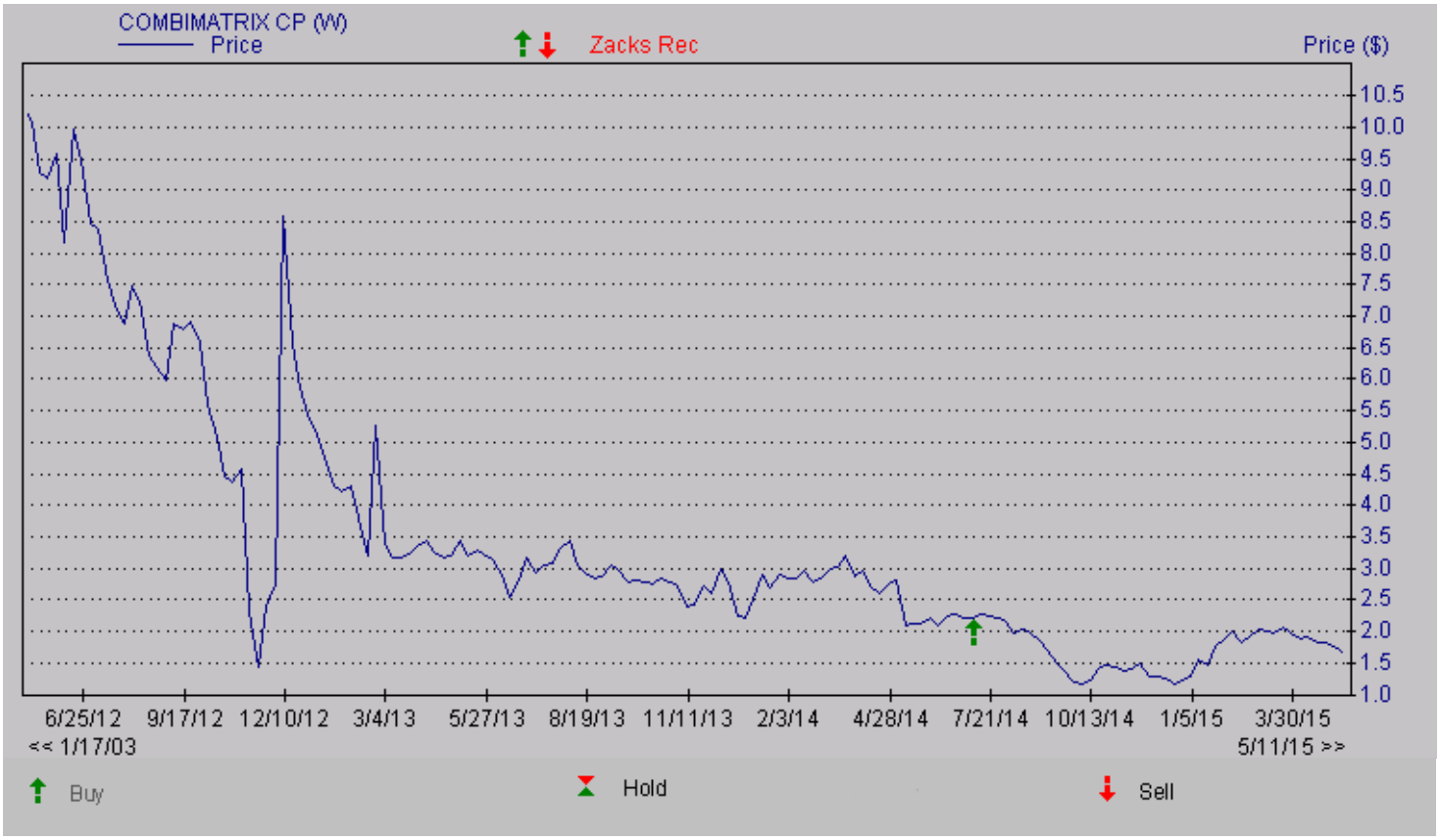
HISTORICAL ZACKS RECOMMENDATIONS



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