



Source: Atomera Incorporated

September 19, 2016 16:30 ET

Atomera Incorporated Reports 2016 Second Quarter Results

LOS GATOS, CA--(Marketwired - Sep 19, 2016) - Atomera Incorporated ("Atomera" or the "Company") (NASDAQ: ATMR), a semiconductor materials and intellectual property licensing company focused on deploying its proprietary technology into the \$350+ billion semiconductor industry, today announced financial results for the second quarter ended June 30, 2016.

Unaudited 2016 Second Quarter Financial Results

We incurred a net loss of \$2.6 million, or \$(1.61) per basic and diluted share, compared to a net loss of \$1.6 million, or \$(1.21) per basic and diluted share in the second quarter of 2015. Net losses included non-cash interest expenses of approximately \$746,000 in the second quarter of 2016 and approximately \$561,000 in the second quarter of 2015.

As of June 30, 2016, we had total assets of approximately \$5.68 million and a working capital deficit of approximately \$18.21 million, including principal and accrued interest on our Senior Secured Convertible Notes of \$23.26 million.

Initial Public Offering

On August 10, 2016, we announced the closing of our initial public offering ("IPO") of 3,680,000 share of common stock at a public offering price of \$7.50 per share. The common stock included 480,000 shares sold as a result of the underwriter's exercise in full of its overallotment option. Gross proceeds to us from this offering were \$27,600,000 before deducting underwriting discounts, commissions and other offering expenses. In accordance with the terms of the Secured Notes, all principal plus accrued interest through August 10, 2016 (totaling approximately \$23.5 million) converted automatically upon consummation of the IPO into 6,264,659 million shares of common stock thus extinguishing the debt associated with the Secured Notes.

Future Conference Calls and Webcast

We will not host a conference call related to our second quarter results. Subsequent to our third quarter earnings release, Atomera will commence hosting conference calls and webcasts to discuss recent progress and financial results. Information about our quarterly results, conference calls, webcasts and other investor information will be posted at ir.atomera.com.

About Atomera Incorporated

Atomera Incorporated has developed Mears Silicon Technology™ ("MST®"), which increases performance and power efficiency in semiconductor transistors. MST® can be implemented using equipment already deployed in semiconductor manufacturing facilities and is complementary to other nano-scaling technologies already in the semiconductor industry roadmap.

Safe Harbor

This press release contains forward-looking statements concerning Atomera Incorporated, including statements regarding the prospects for the semiconductor industry generally and the ability of our MST® technology to significantly improve semiconductor performance. Those forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual results to differ materially. Among those factors are: (1) the fact that we have not yet commenced revenue producing operations or entered into a definitive agreement with regard to the licensing or commercialization of our MST technology, thus subjecting us to all of the risks inherent in a pre-revenue enterprise; (2) risks related to our ability to raise sufficient capital, as and when needed, to pursue the further development, licensing and commercialization of our MST® technology; (3) our ability to protect our proprietary technology, trade secrets and know-how and (4) those other risks disclosed in the section "Risk Factors" included in our final prospectus dated August 5, 2016 filed with the SEC on August 8, 2016. We caution readers not to place undue reliance on any forward-looking statements. We do not undertake, and specifically disclaim any obligation, to update or revise such statements to reflect new circumstances or unanticipated events as they occur.

Atomera Incorporated
Condensed Balance Sheets
(Unaudited)
(in thousands, except per share data)

	<u>June 30,</u> <u>2016</u>	<u>December 31,</u> <u>2015</u>
	<u>(Unaudited)</u>	
ASSETS		
Current Assets:		
Cash	\$ 5,267	\$ 3,197
Restricted Investment	15	15
Prepaid expenses and other current assets	111	48
Total current assets	5,393	3,260
Property and equipment, net	23	15
Deferred offering costs	234	145
Security Deposit	37	--
Total assets	\$ 5,687	\$ 3,420

LIABILITIES AND STOCKHOLDERS' DEFICIT

Current liabilities:		
Accounts payable	\$ 420	\$ 301
Accrued expenses	309	145
Senior secured convertible promissory notes payable, net	22,872	16,095
Total liabilities	23,601	16,541

Stockholders' deficit:

Preferred stock, \$0.001 par value, authorized 2,500 shares; none issued and outstanding at June 30, 2016 and December 31, 2015	--	--
Common stock, \$0.001 par value, authorized 47,500 shares; issued and outstanding 1,617 shares at June 30, 2016 and December 31, 2015, respectively	2	2
Additional paid-in capital	70,556	70,452
Subscription receivable	--	(188)
Accumulated deficit	(88,472)	(83,387)
Total stockholders' deficit	<u>(17,914)</u>	<u>(13,121)</u>
Total liabilities and stockholders' deficit	<u>\$ 5,687</u>	<u>\$ 3,420</u>

Atomera Incorporated
Condensed Statements of Operations
(Unaudited)
(in thousands, except per share data)

	Three Months ended June 30,		Six Months ended June 30,	
	2016	2015	2016	2015
Operating Expenses:				
Research and development	\$ 867	\$ 576	\$ 1,813	\$ 1,096
General and administrative	893	440	1,754	2,139
Selling and marketing	91	-	210	11
Total operating expenses	<u>\$ 1,851</u>	<u>\$ 1,016</u>	<u>\$ 3,777</u>	<u>\$ 3,246</u>
Loss from operations	(1,851)	(1,016)	(3,777)	(3,246)
Other income/(expense):				
Interest expense, net	(746)	(561)	(1,308)	(792)
Net loss:	<u>\$ (2,597)</u>	<u>\$ (1,577)</u>	<u>\$ (5,085)</u>	<u>\$ (4,038)</u>
Net loss per common share, basic and diluted	<u>\$ (1.61)</u>	<u>\$ (1.28)</u>	<u>\$ (3.14)</u>	<u>\$ (3.27)</u>
Weighted average number of common shares outstanding, basic and diluted	<u>1,617</u>	<u>1,233</u>	<u>1,617</u>	<u>1,233</u>

Contact Information:

Company Contact
Frank Laurencio
CFO
408-442-5246

