

Proto Labs Inc  
Form 10-Q  
November 03, 2015

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**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

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**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 September 30, 2015**

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: 001-35435**

**Proto Labs, Inc.**

(Exact name of registrant as specified in its charter)

**Minnesota**

(State or other jurisdiction of  
incorporation or organization)

**41-1939628**

(I.R.S. Employer  
Identification No.)

**5540 Pioneer Creek Drive  
Maple Plain, Minnesota**

**55359**

(Address of principal executive offices) (Zip Code)

**(763) 479-3680**

(Registrant's telephone number, including area code)

**Not Applicable**

(Former name, former address and former fiscal year, if changed since last report)

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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 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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 26,163,402 shares of Common Stock, par value \$0.001 per share, were outstanding at October 28, 2015.

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**Proto Labs, Inc.**

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**PART I. FINANCIAL INFORMATION****Item 1. Financial Statements****Proto Labs, Inc.****Consolidated Balance Sheets****(In thousands, except share and per share amounts)**

	<b>September 30, 2015 (Unaudited)</b>	<b>December 31, 2014</b>
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 64,131	\$ 43,329
Short-term marketable securities	28,062	30,706
Accounts receivable, net of allowance for doubtful accounts of \$222 and \$198 as of September 30, 2015 and December 31, 2014, respectively	32,897	24,226
Inventory	7,228	6,194
Prepaid expenses and other current assets	5,733	3,406
Income taxes receivable	4,029	-
Deferred tax assets	460	483
Total current assets	142,540	108,344
Property and equipment, net	108,626	91,626
Goodwill	28,916	28,916
Other intangible assets, net	3,523	4,083
Long-term marketable securities	57,801	54,318
Other long-term assets	520	227
Total assets	\$ 341,926	\$ 287,514
<b>Liabilities and shareholders' equity</b>		
Current liabilities		
Accounts payable	\$ 11,552	\$ 7,882
Accrued compensation	10,519	6,067
Accrued liabilities and other	2,424	2,718
Income taxes payable	-	1,953
Current portion of long-term debt obligations	39	139
Total current liabilities	24,534	18,759
Long-term deferred tax liabilities	1,488	1,846
Long-term debt obligations	-	10

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Other long-term liabilities	1,716	1,360
Total liabilities	27,738	21,975
Shareholders' equity		
Preferred stock, \$0.001 par value, authorized 10,000,000 shares; issued and outstanding 0 shares as of each of September 30, 2015 and December 31, 2014	-	-
Common stock, \$0.001 par value, authorized 150,000,000 shares; issued and outstanding 26,159,735 and 25,838,110 shares as of September 30, 2015 and December 31, 2014, respectively	26	26
Additional paid-in capital	195,856	180,960
Retained earnings	122,002	87,482
Accumulated other comprehensive loss	(3,696 )	(2,929 )
Total shareholders' equity	314,188	265,539
Total liabilities and shareholders' equity	\$ 341,926	\$ 287,514

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The accompanying notes are an integral part of these consolidated financial statements.

**Proto Labs, Inc.**

**Consolidated Statements of Comprehensive Income**

(In thousands, except share and per share amounts)

(Unaudited)

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	<b>Three Months</b>		<b>Nine Months</b>	
	<b>Ended</b>		<b>Ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
<b>Statements of Operations:</b>				
Revenue	\$67,842	\$54,574	\$190,347	\$153,514
Cost of revenue	27,517	21,492	77,218	