EMAGIN CORP Form 10-Q/A November 03, 2005

Yes [] No [X]

U.S. Securities and Exchange Commission Washington, D.C. 20549

FORM 10-Q/A

(Mark One)
[X] Quarterly report under section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended March 31, 2005
[] Transition report under section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from to
Commission file number: 000-24757
eMAGIN CORPORATION
(Exact name of small business issuer as specified in its charter)
DELAWARE 56-1764501 (State or other jurisdiction of incorporation or organization)
10500 N.E. 8th Street, Suite 1400 Bellevue, WA 98004 (Address of principal executive offices)
(425) 749-3600 (Issuer's telephone number)
Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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 [X] No []

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act.

Indicate the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: As of April 28, 2005 the Registrant had 82,172,176 shares of Common Stock outstanding.

EXPLANATORY NOTE: This Amended Quarterly Report on Form 10-Q/A is being filed for the purpose of amending the form on which the Company previously filed its Amended Quarterly Report on Form 10-Q/A filed by the Company on July 13, 2005. This amended Quarterly Report is being filed for the sole purpose of modifying Exhibits 31.1 and 31.2 *Certification Pursuant to Sarbanes-Oxley Section 302* to complete the statement under 5(a) by including the term: *material weaknesses*. In all other material respects this Amended Quarterly Report on Form 10-Q/A is unchanged from the Amended Quarterly Report on Form 10-Q/A filed by the Company on July 13, 2005.

EMAGIN CORPORATION

FORM 10-Q/A FOR THE THREE MONTHS

ENDED MARCH 31, 2005

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31.1	Section 302	

31.2	Certification by Chief Financial Officer pursuant to Sarbanes Oxley Section 302
32.1	Certification by Chief Executive Officer pursuant to 18 U.S.C. Section 1350
32.2	Certification by Chief Financial Officer pursuant to 18 U.S. C. Section 1350_

PART I-FINANCIAL INFORMATION

Item 1. Financial Statements.

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eMAGIN CORPORATION

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands)

ASSETS		March 31, 2005		December 31, 2004
CURRENT ASSETS:		(Unaudited)		-,
Cash and cash equivalents	\$	10,769	\$	13,457
Accounts receivables, net		507		536
Inventory		2,926		2,018
Prepaid expenses and other current assets		500		880
Total current assets		14,702		16,891
EQUIPMENT AND LEASEHOLD IMPROVEMENTS:		4,304		4,072
Less: Accumulated depreciation		(2,956)		(2,767)
Total equipment and leasehold improvements, net		1,348		1,305
Total equipment and reasonord improvements, net		1,5 10		1,505
Intangible assets		64		56
Less: Accumulated amortization		(3)		(2)
Total intangible assets, net		61		54
Other long-term assets		151		186
Total assets	\$	16,262	\$	18,436
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES:				
Accounts payable	\$	824	\$	822
Accrued payroll and benefits		577		674
Other accrued expenses		529		357
Advanced payments		18		64
Current portion of capitalized lease obligation		15		14
Other current liabilities		45		35
Total current liabilities		2,008		1,966
Capitalized lease obligations - long term		18		22
Total liabilities		2,026		1,988
SHAREHOLDERS' EQUITY:				
Common stock, par value \$0.001 per share				
Shares authorized - 100,000,000				
Shares issued and outstanding - 82,072,176 and 79,638,817		82		80
Additional paid-in capital		166,654		165,399
Accumulated deficit		(152,500)		(149,031)
Total shareholders' equity		14,236		16,448
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Total liabilities and shareholders' equity	\$	16,262	\$	18,436
See notes to financial statements.				

eMAGIN CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands except per share amounts)

(Unaudited)

	Three Months Ended Iarch 31, 2005	Three Months Ended March 31, 2004	
REVENUE:			
Product revenue, net of returns	\$ 690	\$	540
COST OF GOODS SOLD:			
Direct cost of goods sold	177		209
Production expenses	1,780		1,154
Total cost of goods sold	1,957		1,363
Gross Loss	(1,267)		(823)
OPERATING EXPENSES:			
Research and development	866		8
Stock based compensation	-		84
Selling, general and administrative	1,335		615
Total costs and expenses, net	2,221		707
Interest income (expense), net	19		(5,076)
Net loss	\$ (3,469)	\$	(6,606)
Basic and diluted net loss per common share	\$ (0.04)	\$	(0.13)
Weighted average common shares outstanding	81,432		