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ADVANCED PHOTONIX INC
Form 8-K/A
November 01, 2002

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K/A

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report
(Date of earliest event reported): August 21, 2002

Advanced Photonix, Inc.

(Exact Name of Registrant as specified in its Charter)

Delaware	1-11056	33-0325836
-----	-----	-----
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)
1240 Avenida Acaso, Camarillo, California		93012
-----	-----	-----
(Address of Principal Executive Offices)		(ZIP Code)

Registrant's telephone number,
including area code: (805) 987-0146

This current report on Form 8-K/A amends Item 7 of the current report on Form 8-K filed with the Securities and Exchange Commission on September 5, 2002.

Item 7. Financial Statements and Exhibits

(a) Financial Statements

Previously filed with the Securities and Exchange Commission on Form 8-K,
dated August 21, 2002.

(b) Pro Forma Information

- (i) Unaudited pro forma condensed consolidated balance sheet of Advanced Photonix, Inc. and Silicon Sensors, LLC at June 30, 2002.

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- (ii) Unaudited pro forma condensed consolidated statement of operations of Advanced Photonix, Inc. and Silicon Sensors, LLC for the three months ended June 30, 2002.
- (iii) Unaudited pro forma condensed consolidated statement of operations of Advanced Photonix, Inc. and Silicon Sensors, LLC for the twelve months ended March 31, 2002.

ADVANCED PHOTONIX, INC. AND SILICON SENSORS, LLC

PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET JUNE 30, 2002 (UNAUDITED)

	API	SSI	Adjustments
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	\$ 2,944,000	\$ 22,000	\$ (1,799,000) (a)
Short-term investments	1,002,000		
Accounts receivable	1,069,000	350,000	
Inventory	2,813,000	485,000	32,000 (f)
Prepaid and other current assets	133,000	96,000	(120,000) (d)
	-----	-----	-----
Total current assets	7,961,000	953,000	(1,887,000)
	-----	-----	-----
PROPERTY AND EQUIPMENT	3,692,000	1,469,000	251,000 (f)
Less accumulated depreciation	(3,069,000)	(933,000)	
	-----	-----	-----
Property and equipment, net	623,000	536,000	251,000
	-----	-----	-----
GOODWILL	483,000		437,000
			(283,000) (f)
			39,000 (h)
			120,000 (d)
			19,000 (i)
	-----	-----	-----
	483,000		332,000
	-----	-----	-----
OTHER ASSETS	24,000	6,000	131,000 (g)
	-----	-----	-----
PATENTS	22,000		
	-----	-----	-----
TOTAL ASSETS	\$ 9,113,000	\$1,495,000	\$ (1,173,000)
	=====	=====	=====

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ADVANCED PHOTONIX, INC. AND SILICON SENSORS, LLC

PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET - Continued
 JUNE 30, 2002 (UNAUDITED)

	API	SSI	Adjustments
LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Accounts payable	\$ 255,000	\$ 153,000	\$ (50,000)
Current portion of long-term debt		50,000	(50,000)
Accrued salaries and benefits	228,000		
Accrued expenses	5,000	79,000	126,000
			19,000
	-----	-----	-----
Total current liabilities	488,000	282,000	95,000
	-----	-----	-----
LONG-TERM DEBT, Note payable, less current portion		838,000	(838,000)
	-----	-----	-----
CLASS A CONVERTIBLE PREFERRED	32,000		
	-----	-----	-----
Members' equity		325,000	(325,000)
Common stock, class A	12,000		
APIC	26,581,000		39,000
Retained earnings (deficit)	(18,000,000)	50,000	(50,000)
			(94,000)
	-----	-----	-----
Total stockholders' equity	8,593,000	375,000	(430,000)
	-----	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 9,113,000	\$ 1,495,000	\$ (1,173,000)
	=====	=====	=====

See notes to pro forma financial statements.

ADVANCED PHOTONIX, INC. AND SILICON SENSORS, LLC

PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
 FOR THE THREE MONTHS ENDED JUNE 30, 2002 (UNAUDITED)

	API	SSI	Adjustments
SALES	\$1,548,000	\$ 639,000	
COST OF GOODS SOLD	916,000	615,000	

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GROSS PROFIT	632,000	24,000	
OPERATING EXPENSES:			
Research and development	142,000		
Sales and marketing	234,000	62,000	
General and administrative	307,000	84,000	\$ 19,000 (g)
Total operating expenses	683,000	146,000	19,000
LOSS FROM OPERATIONS	(51,000)	(122,000)	(19,000)
OTHER INCOME (EXPENSE):			
Interest Income	28,000		
Interest expense		(17,000)	
Other income		10,000	
Other income (expense), net	28,000	(7,000)	
LOSS BEFORE INCOME TAXES	(23,000)	(129,000)	(19,000)
INCOME TAXES			
NET LOSS	\$ (23,000)	\$ (129,000)	\$ (19,000)

WEIGHTED AVERAGE SHARES OUTSTANDING

BASIC AND DILUTED LOSS PER SHARE

See notes to pro forma financial statements.

ADVANCED PHOTONIX, INC. AND SILICON SENSORS, LLC

PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED MARCH 30, 2002 (UNAUDITED)

	API	SSI	Adjustments
SALES	\$6,931,000	\$3,664,000	
COST OF GOODS SOLD	4,170,000	2,726,000	
GROSS PROFIT	2,761,000	938,000	
OPERATING EXPENSES:			
Research and development	467,000		
Sales, general and administrative	2,165,000	935,000	\$ 75,000 (g)
Acquisition investigation	616,000		
Total operating expenses	3,248,000	935,000	75,000

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INCOME (LOSS) FROM OPERATIONS	(487,000)	3,000	(75,000)
	-----	-----	-----
OTHER INCOME (EXPENSE):			
Interest Income	203,000		
Interest expense		(65,000)	
Other income	2,000		
	-----	-----	-----
Other income (expense), net	205,000	(65,000)	
	-----	-----	-----
LOSS BEFORE INCOME TAXES	(282,000)	(62,000)	(75,000)
INCOME TAXES	(2,000)		
	-----	-----	-----
NET LOSS	\$ (284,000)	\$ (62,000)	\$ (75,000)
	=====	=====	=====

WEIGHTED AVERAGE SHARES OUTSTANDING

BASIC AND DILUTED LOSS PER SHARE

See notes to pro forma financial statements.

ADVANCED PHOTONIX, INC. AND SILICON SENSORS, LLC

NOTES TO THE UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The unaudited pro forma condensed consolidated statement of operations for the three months ended June 30, 2002 gives effect to the consolidated results of operations as if the merger occurred at April 1, 2002. The unaudited pro forma condensed consolidated statement of operations for the year ended March 30, 2002 gives effect to the consolidated results of operations as if the merger occurred at April 1, 2001. These results are not necessarily indicative of the consolidated results of operations of Advanced Photonix, Inc. ("API") as they may be in the future, or as they might have been had these events been effective at April 1, 2001. The unaudited pro forma condensed consolidated statements are based on the individual historical results of operations of API and Silicon Sensors, LLC ("SSI"), and have been prepared to reflect the acquisition of SSI by API. The unaudited pro forma condensed consolidated balance sheet gives effect to the financial position at June 30, 2002 as if the merger occurred at April 1, 2001. The unaudited pro forma condensed consolidated financial information should be read in conjunction with the historical financial statements of API and SSI and the related notes thereto.

PRO FORMA ADJUSTMENTS FOR THE UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET AT JUNE 30, 2002 AND CONDENSED CONSOLIDATED INCOME STATEMENTS:

- a. To reflect payment of \$1,700,000 in cash and \$99,000 towards Non-Compete Agreement.
- b. Elimination of historical retained earnings at SSI.
- c. To reflect elimination of Silicon Sensor, LLC Members' interest.
- d. To reflect \$120k in merger expenses incurred by API.

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- e. To reflect liabilities not purchased by API.
- f. To reflect "write-up" of assets and liabilities to estimated fair market value.
- g. To reflect "Non-Compete Agreement" with Jack McCook and related amortization.
- h. To reflect Black-Scholes FMV of options in API common stock granted to Silicon Sensors, LLC Members.
- i. To reflect final adjustment to purchase price, based on net working capital at August 21, 2002.

NOTE: The Company is still in the process of evaluating the fair value of the assets acquired and the liabilities assumed in order to make a final determination of the excess purchase price, including allocation to the intangibles other than goodwill. Accordingly, the purchase accounting information is preliminary and has been made solely for the purpose of developing such pro forma condensed consolidated financial information. Based on current information, the preliminary determination of the cost in excess of the net assets acquired and the allocation to goodwill should not materially differ from the final determination.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ADVANCED PHOTONIX, INC.

By: /s/ Brock Koren

Brock Koren, President and Chief
Executive Officer

Dated: November 1, 2002
