Accelerate Diagnostics Reports 191 Instruments Under Contract & 3x Revenue Growth

Accelerate Diagnostics, Inc. has announced preliminary financial results for the quarter ending March 31, 2017 including signed customer evaluation contracts covering 169 instruments, 22 additional instruments converted into revenue generating placements, and revenue growth exceeding 325% of the same period in the prior year.

Net sales for the first quarter 2017 was $530,000 compared to $163,000 in the first quarter of 2016. The increase was driven by capital sales of the Accelerate Pheno™ system in the United States and sales of the Accelerate PhenoTest™ BC kit across the U.S. and Europe.

“We’re excited to see this early momentum as it confirms the need for faster, more complete answers in the fight for life against serious infections,” said Lawrence Mehren, President and CEO. “While there is more work to be done, we believe the initial uptake of the system sets us apart from recent IVD launches in microbiology.”

The company was also awarded a public tender certification to supply its solution to Union des Groupements d’Achats Publics (UGAP), the largest public hospital purchasing group in France. The certification allows all French public hospitals access to acquire the system without additional tenders.

President and Chief Executive Officer, Lawrence Mehren, and Chief Financial Officer, Steve Reichling, will host a conference call to review the results at 4:15 p.m. Eastern Time on May 3, 2017.

Preliminary first quarter 2017 results

- Net sales of $530,000 compared to $163,000 in first quarter of 2016
- Gross margin realized was 95% due to instrument inventory sold within the first quarter 2017 previously recorded as research and development (R&D) expense
- Selling, general, and administrative expenses of $10.5 million, compared to $7.7 million in the prior year period, driven by personnel related costs within U.S. and European Sales and Marketing organizations
- R&D expenses for the first quarter of $4.3 million, down from $7.7 million in the first quarter of 2016 due to lack of clinical trial and pre-launch inventory costs incurred in the prior year period
- Net loss of $14.2 million, or $0.27 per share on weighted average basic shares outstanding of 51.9 million shares, which contained $3.4 million in non-cash stock-based compensation expense
- Net cash used for operations was $9.3 million ending the quarter with cash, cash-equivalents, and short-term investments of $63.9 million

Full financial results for the quarter ending March 31, 2017 will be filed on Form 10-Q through the Securities and Exchange Commission’s (SEC) website at sec.gov. The company anticipates filing on May 5th. Investors are cautioned not to place undue reliance on these preliminary estimates in the event of material changes.

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