

CYTRX CORP
Form 10-Q
August 09, 2011

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934

For the quarterly period ended June 30, 2011

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 0-15327

CytRx Corporation
(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or
organization)

58-1642740
(I.R.S. Employer Identification No.)

11726 San Vicente Blvd., Suite 650
Los Angeles, CA
(Address of principal executive offices)

90049
(Zip Code)

(310) 826-5648
(Registrant's telephone number, including area code)

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: (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 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. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12(b)-2 of the Exchange Act). Yes No

Number of shares of CytRx Corporation common stock, \$.001 par value, outstanding as of August 8, 2011: 149,057,885 million shares exclusive of treasury shares.

CYTRX CORPORATION

FORM 10-Q

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PART I — FINANCIAL INFORMATION

Item 1. — Financial Statements

CYTRX CORPORATION
CONDENSED BALANCE SHEETS
(Unaudited)

	June 30, 2011	December 31, 2010
ASSETS		
Current assets:		
Cash and cash equivalents	\$7,023,176	\$6,324,430
Marketable securities	19,076,620	20,567,861
Proceeds from sale of RXi, received January 6, 2011	—	6,938,603
Receivable	107,907	259,006
Investment in Adventrx Pharmaceuticals, at market	379,260	—
Income taxes recoverable	—	519,158
Interest receivable	105,334	117,624
Prepaid expenses and other current assets	1,803,333	1,247,145
Total current assets	28,495,630	35,973,827
Equipment and furnishings, net	294,873	319,191
Goodwill	183,780	183,780
Other assets	214,729	220,292
Total assets	\$29,189,012	\$36,697,090
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$1,433,782	\$1,027,924
Accrued expenses and other current liabilities	4,130,042	2,663,910
Warrant liabilities	1,259,518	2,437,281
Total current liabilities	6,823,342	6,129,115
Commitment and contingencies		
Stockholders' equity:		
Preferred Stock, \$.01 par value, 5,000,000 shares authorized, including 15,000 shares of Series A Junior Participating Preferred Stock; no shares issued and outstanding	—	—
Common stock, \$.001 par value, 175,000,000 shares authorized; 109,857,885 and 109,840,445 shares issued and outstanding at June 30, 2011 and December 31, 2010, respectively	109,858	109,840
Additional paid-in capital	230,066,850	229,253,122
Accumulated comprehensive income, net of tax	379,260	—
Treasury stock, at cost (633,816 shares)	(2,279,238)	(2,279,238)
Accumulated deficit	(205,911,059)	(196,515,749)
Total stockholders' equity	22,365,670	30,567,975
Total liabilities and stockholders' equity	\$29,189,012	\$36,697,090

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

CYTRX CORPORATION
CONDENSED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2011	2010	2011	2010
Revenue:				
License revenue	150,000	—	150,000	—
Expenses:				
Research and development	1,886,652	3,073,059	6,707,360	5,118,868
General and administrative	2,026,602	2,060,266	4,174,061	4,705,376
	3,913,254	5,133,325	10,881,421	9,824,244
Loss before other income	(3,763,254)	(5,133,325)	(10,731,421)	(9,824,244)
Other income:				
Interest income	50,270	79,687	105,699	172,718
Other income, net	15,619	28,530	52,650	35,696
Gain on warrant derivative liability	577,290	1,278,884	1,177,762	1,411,577
Gain on sale of affiliate's shares – RXi Pharmaceutical	—	5,040,114	—	8,887,614
Income (loss) before provision for income taxes	(3,120,075)	1,293,890	(9,395,310)	683,361
Provision for income taxes	—	—	—	—