

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

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

May 4, 2009
Date of Report (date of earliest event reported)

CUTERA™

Cutera, Inc.

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

000-50644
(Commission
File Number)

77-0492262
(I.R.S. Employer
Identification Number)

3240 Bayshore Blvd.
Brisbane, California 94005
(Address of principal executive offices)

(415) 657-5500
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On May 4, 2009, we are issuing a press release and holding a conference call regarding our financial results for the first quarter ended March 31, 2009. A copy of the press release is furnished as Exhibit 99.1 to this Form 8-K.

This information shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|--|
| 99.1 | Press Release of Cutera, Inc. dated as of May 4, 2009. |

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.

CUTERA, INC.

Date: May 4, 2009.

/s/ KEVIN P. CONNORS

Kevin P. Connors

President and Chief Executive Officer



FOR IMMEDIATE RELEASE

CONTACTS:

Cutera, Inc.

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Investor Relations

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Cutera Reports First Quarter 2009 Results

BRISBANE, Calif., May 4, 2009 — Cutera, Inc. (NASDAQ: CUTR), a leading provider of laser and other light-based aesthetic systems for practitioners worldwide, today reported financial results for the first quarter ended March 31, 2009.

First quarter 2009 revenue was \$14.4 million, compared to \$21.6 million in the same period last year. Net loss for the first quarter of 2009 was \$1.8 million, or \$0.14 per diluted share, compared to net loss of \$0.5 million, or \$0.04 per diluted share, in the first quarter of 2008. The first quarter of 2009 included an estimated charge of \$850,000 (\$523,000 net of tax, or \$0.04 per diluted share), for the tentative settlement of our Telephone Consumer Protection Act litigation matter.

Kevin Connors, President and CEO of Cutera, stated, "Historically, our first-quarter revenue is lower than any other quarter's revenue during a fiscal year, and that trend was worsened by the ongoing global recession. In April, we reduced our company wide headcount by 12% and we will continue to manage our expenses during these uncertain times and make the appropriate decisions in an effort to better align expenses with current revenue levels.

In the current market environment, we believe that the core market of dermatologists, plastic surgeons and other established medical offices provide us the best opportunities in our industry. Therefore we plan on focusing our sales, marketing and new product development efforts on this segment of our market. As such, we remain focused on gathering clinical data for our Adjustable Depth Selectivity (ADS) technology that was recently previewed at the American Academy of Dermatology meeting in San Francisco. This latest innovation is the culmination of five years of clinical research and collaboration for non-invasive body contouring."

Mr. Connors concluded, "While the near-term prospects for our industry are difficult to predict due to the current economic uncertainty, we believe that our worldwide distribution network, strong balance sheet with \$103.4 million in cash and investments - with no debt, broad portfolio of products, and various research and development projects underway, offer continuing, long-term opportunities for our company."

Conference Call:

The conference call to discuss these results is scheduled to begin at 2:00 p.m. PT (5:00 p.m. ET) on May 4, 2009. The call will be broadcast live over the Internet hosted at the Investor Relations section of Cutera's website at www.cutera.com, and will be archived online within one hour of its completion and continue through 8:59 p.m. PT (11:59 p.m. ET) on May 18, 2009. In addition, you may call 1-800-762-8795 to listen to the live broadcast. Participating in the call will be Kevin Connors, President and Chief Executive Officer, and Ron Santilli, Chief Financial Officer.

About Cutera, Inc.

Brisbane, California-based Cutera is a leading provider of laser and other light-based aesthetic systems for practitioners worldwide. Since 1998, Cutera has been developing innovative, easy-to-use products that enable physicians and other qualified practitioners to offer safe and effective aesthetic treatments to their patients. For more information, call 1-888-4CUTERA or visit www.cutera.com.

This press release contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Specifically, statements concerning Cutera's ability to settle outstanding litigation, grow its business, increase revenue, manage expenses, generate additional cash, develop and commercialize existing and new products and applications, and improve the performance of its worldwide sales and distribution network and statements regarding long-term prospects are forward-looking statements within the meaning of the Safe Harbor. Forward-looking statements are based on management's current, preliminary expectations and are subject to risks and uncertainties, which may cause Cutera's actual results to differ materially from the statements contained herein. Potential risks and uncertainties that could affect Cutera's business and cause its financial results to differ materially from those contained in the forward-looking statements include the global economic crisis, which may reduce consumer demand for its products, cause potential customers to delay their purchase decisions and make it more difficult for some potential customers to obtain credit financing; its ability to increase revenue, manage expenses and improve sales productivity and performance worldwide; its ability to successfully develop and acquire new products and applications and market them to both its installed base and new customers; the length of the sales cycle process; unforeseen events and circumstances relating to its operations; government regulatory actions; and those other factors described in the section entitled, "Risk Factors," in its most recent Form 10-Q as filed with the Securities and Exchange Commission on May 4, 2009. Undue reliance should not be placed on forward-looking statements, which speak only as of the date they are made. Cutera undertakes no obligation to update publicly any forward-looking statements to reflect new information, events or circumstances after the date they were made, or to reflect the occurrence of unanticipated events. Cutera's first quarter ended March 31, 2009 financial performance, as discussed in this release, is unaudited and subject to adjustment.

CUTERA, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)
(unaudited)

| | <u>March 31,</u> <u>2009</u> | <u>December 31,</u> <u>2008</u> |
|---|---------------------------------|------------------------------------|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 35,793 | \$ 36,540 |
| Marketable investments | 58,131 | 60,653 |
| Accounts receivable, net | 5,262 | 5,792 |
| Inventories | 9,846 | 9,927 |
| Deferred tax asset | 4,652 | 4,257 |
| Other current assets and prepaid expenses | 2,997 | 1,771 |
| Total current assets | <u>116,681</u> | <u>118,940</u> |
| Property and equipment, net | 1,241 | 1,357 |
| Long-term investments | 9,463 | 9,627 |
| Intangibles, net | 975 | 1,025 |
| Deferred tax asset, net of current portion | 6,312 | 6,527 |
| Total assets | <u>\$134,672</u> | <u>\$ 137,476</u> |
| Liabilities and Stockholders' Equity | | |
| Current liabilities: | | |
| Accounts payable | \$ 1,535 | \$ 1,690 |
| Accrued liabilities | 8,166 | 8,848 |
| Deferred revenue | 6,596 | 6,758 |
| Total current liabilities | <u>16,297</u> | <u>17,296</u> |
| Deferred rent | 1,658 | 1,713 |
| Deferred revenue, net of current portion | 4,001 | 4,907 |
| Income tax liability | 1,421 | 1,452 |
| Total liabilities | <u>23,377</u> | <u>25,368</u> |
| Stockholders' equity: | | |
| Common stock | 13 | 13 |
| Additional paid-in capital | 81,450 | 80,318 |
| Retained earnings | 29,582 | 31,410 |
| Accumulated other comprehensive income | 250 | 367 |
| Total stockholders' equity | <u>111,295</u> | <u>112,108</u> |
| Total liabilities and stockholders' equity | <u>\$134,672</u> | <u>\$ 137,476</u> |

CUTERA, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)
(unaudited)

| | Three Months Ended March 31, | |
|---|---------------------------------|-----------|
| | 2009 | 2008 |
| Net revenue | \$14,430 | \$21,618 |
| Cost of revenue | 5,936 | 8,219 |
| Gross profit | 8,494 | 13,399 |
| Operating expenses: | | |
| Sales and marketing | 7,003 | 10,349 |
| Research and development | 1,743 | 1,785 |
| General and administrative | 2,520 | 2,941 |
| Litigation settlement | 850 | — |
| Total operating expenses | 12,116 | 15,075 |
| Loss from operations | (3,622) | (1,676) |
| Interest and other income, net | 599 | 901 |
| Loss before income taxes | (3,023) | (775) |
| Benefit from income taxes | (1,195) | (233) |
| Net loss | \$ (1,828) | \$ (542) |
| Net loss per share: | | |
| Basic | \$ (0.14) | \$ (0.04) |
| Diluted | \$ (0.14) | \$ (0.04) |
| Weighted-average number of shares used in per share calculations: | | |
| Basic | 13,120 | 12,740 |
| Diluted | 13,120 | 12,740 |

CUTERA, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

| | Three Months Ended | |
|---|---------------------------|-------------|
| | March 31, | |
| | 2009 | 2008 |
| Cash flows from operating activities: | | |
| Net loss | \$ (1,828) | \$ (542) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Stock-based compensation | 1,045 | 1,330 |
| Tax deficit from stock-based compensation | (26) | — |
| Depreciation and amortization | 228 | 223 |
| Change in deferred tax asset | (105) | (15) |
| Other | 396 | 76 |
| Changes in assets and liabilities: | | |
| Accounts receivable | 475 | 2,343 |
| Inventories | (292) | (1,851) |
| Other current assets | (882) | (240) |
| Accounts payable | (155) | 68 |
| Accrued liabilities | (682) | (3,083) |
| Deferred rent | (55) | 34 |
| Deferred revenue | (1,068) | 788 |
| Income tax liability | (31) | 359 |
| Net cash used in operating activities | (2,980) | (510) |
| Cash flows from investing activities: | | |
| Acquisition of property and equipment | (62) | (186) |
| Proceeds from sales of marketable investments | 6,578 | 37,360 |
| Proceeds from maturities of marketable investments | 1,145 | 2,562 |
| Purchase of marketable investments | (5,542) | (12,205) |
| Net cash provided by investing activities | 2,119 | 27,531 |
| Cash flows from financing activities: | | |
| Proceeds from exercise of stock options | 114 | 35 |
| Net cash provided by financing activities | 114 | 35 |
| Net increase (decrease) in cash and cash equivalents | (747) | 27,056 |
| Cash and cash equivalents at beginning of period | 36,540 | 11,054 |
| Cash and cash equivalents at end of period | \$35,793 | \$ 38,110 |

CUTERA, INC.
CONSOLIDATED REVENUE HIGHLIGHTS
(in thousands, except percentage data)
(unaudited)

| | <u>Three Months Ended March 31,</u> | | |
|-------------------------------------|-------------------------------------|-----------------|---------------|
| | <u>2009</u> | <u>2008</u> | <u>Change</u> |
| Revenue By Geography: | | | |
| United States | \$ 6,345 | \$12,384 | -49% |
| International | 8,085 | 9,234 | -12% |
| | <u>\$14,430</u> | <u>\$21,618</u> | -33% |
| Revenue By Product Category: | | | |
| Products | \$ 8,038 | \$15,327 | -48% |
| Product upgrades | 1,754 | 2,232 | -21% |
| Service | 3,253 | 2,704 | +20% |
| Titan refills | 1,385 | 1,355 | +2% |
| | <u>\$14,430</u> | <u>\$21,618</u> | -33% |