

**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

August 3, 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 August 3, 2009, we are issuing a press release and holding a conference call regarding our financial results for the second quarter ended June 30, 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.

Exhibit No.	Description
99.1	Press Release of Cutera, Inc. dated as of August 3, 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.

Date: August 3, 2009

/S/ RONALD J. SANTILLI

Ronald J. Santilli
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)



FOR IMMEDIATE RELEASE

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Cutera Reports Second Quarter 2009 Results

BRISBANE, Calif., August 3, 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 second quarter ended June 30, 2009.

Second quarter 2009 revenue was \$11.7 million, compared to \$24.8 million in the same period last year. Net loss for the second quarter of 2009 was \$2.4 million, or \$0.18 per diluted share, compared to net profit of \$0.7 million, or \$0.05 per diluted share, in the second quarter of 2008. Our cash flow from operations was break-even in the second quarter as our net loss was offset primarily by reductions in our accounts receivable and inventory balances.

Kevin Connors, President and CEO of Cutera, stated, "Our prospects continue to experience demand for our products from the end user; however, many of these prospects are currently reluctant to make major capital equipment purchases during these unstable economic times. To better capitalize on the opportunities we are seeing in this challenging market and to better position our sales force for long-term positive results, we recently promoted Chris West to Vice President of North American Sales."

"During the second quarter of 2009, we recorded certain operating expenses associated with restructuring charges, bad debt expense, and higher than normal non-cash stock-based compensation charges, that are not expected to recur in the second half of 2009. As our restructuring efforts improve our operating efficiencies, we expect our quarterly operating expenses to decline in the second half of 2009, compared to the second quarter of 2009, and assuming revenue of approximately \$15.0 million, we believe we will become profitable."

"In the current market environment, we believe that the core market of dermatologists, plastic surgeons and other established medical offices provides us with the best opportunities in our industry. Therefore, we are actively focusing our sales, marketing and new product development efforts on this segment of our market."

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 \$104.9 million in cash and investments – with no debt, a 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 August 3, 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 August 17, 2009. In addition, you may call (866) 225-8754 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 grow its business, increase revenue, manage costs and expenses, generate additional cash, regain profitability, develop and commercialize existing and new products and applications, 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 costs and 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 August 3, 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 second quarter ended June 30, 2009 financial performance, as discussed in this release, is preliminary and unaudited, and subject to adjustment.

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

	<u>June 30,</u> <u>2009</u>	<u>December 31,</u> <u>2008</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 35,445	\$ 36,540
Marketable investments	61,857	60,653
Accounts receivable, net	2,828	5,792
Inventories	8,702	9,927
Deferred tax asset	4,652	4,257
Other current assets and prepaid expenses	4,548	1,771
Total current assets	<u>118,032</u>	<u>118,940</u>
Property and equipment, net	1,101	1,357
Long-term investments	7,640	9,627
Intangibles, net	926	1,025
Deferred tax asset, net of current portion	6,165	6,527
Total assets	<u>\$ 133,864</u>	<u>\$ 137,476</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 1,127	\$ 1,690
Accrued liabilities	7,737	8,848
Deferred revenue	6,506	6,758
Total current liabilities	<u>15,370</u>	<u>17,296</u>
Deferred rent	1,603	1,713
Deferred revenue, net of current portion	3,134	4,907
Income tax liability	1,367	1,452
Total liabilities	<u>21,474</u>	<u>25,368</u>
Stockholders' equity:		
Common stock	13	13
Additional paid-in capital	82,985	80,318
Retained earnings	30,741	31,410
Accumulated other comprehensive income (loss)	(1,349)	367
Total stockholders' equity	<u>112,390</u>	<u>112,108</u>
Total liabilities and stockholders' equity	<u>\$ 133,864</u>	<u>\$ 137,476</u>

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	2008	2009	2008
Net revenue	\$ 11,665	\$ 24,754	\$ 26,095	\$ 46,372
Cost of revenue	5,130	9,271	11,066	17,490
Gross profit	<u>6,535</u>	<u>15,483</u>	<u>15,029</u>	<u>28,882</u>
Operating expenses:				
Sales and marketing	6,071	10,361	13,074	20,710
Research and development	1,495	2,004	3,238	3,789
General and administrative	3,616	3,023	6,136	5,964
Litigation settlement	-	-	850	-
Total operating expenses	<u>11,182</u>	<u>15,388</u>	<u>23,298</u>	<u>30,463</u>
Income (loss) from operations	(4,647)	95	(8,269)	(1,581)
Interest and other income, net	511	857	1,110	1,758
Income (loss) before income taxes	(4,136)	952	(7,159)	177
Provision (benefit) for income taxes	(1,772)	291	(2,967)	58
Net income (loss)	<u>\$ (2,364)</u>	<u>\$ 661</u>	<u>\$ (4,192)</u>	<u>\$ 119</u>
Net income (loss) per share:				
Basic	<u>\$ (0.18)</u>	<u>\$ 0.05</u>	<u>\$ (0.32)</u>	<u>\$ 0.01</u>
Diluted	<u>\$ (0.18)</u>	<u>\$ 0.05</u>	<u>\$ (0.32)</u>	<u>\$ 0.01</u>
Weighted-average number of shares used in per share calculations:				
Basic	<u>13,317</u>	<u>12,764</u>	<u>13,219</u>	<u>12,753</u>
Diluted	<u>13,317</u>	<u>13,465</u>	<u>13,219</u>	<u>13,457</u>

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2009	2008	2009	2008
Cash flows from operating activities:				
Net income (loss)	\$ (2,364)	\$ 661	\$ (4,192)	\$ 119
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:				
Stock-based compensation	1,456	1,327	2,501	2,657
Tax deficit from stock-based compensation	(87)	(51)	(113)	(51)
Depreciation and amortization	225	228	453	451
Change in deferred tax asset	139	(13)	34	(28)
Change in allowance for doubtful accounts	498	13	553	89
Provision for excess and obsolete inventories	130	17	503	17
Other	32	-	-	-
Changes in assets and liabilities:				
Accounts receivable	1,936	(897)	2,411	1,446
Inventories	1,014	758	722	(1,093)
Other current assets and prepaid expenses	(1,085)	288	(1,967)	48
Accounts payable	(408)	(504)	(563)	(436)
Accrued liabilities	(429)	1,160	(1,111)	(1,923)
Deferred rent	(55)	3	(110)	37
Deferred revenue	(957)	482	(2,025)	1,270
Income tax liability	(54)	39	(85)	398
Net cash provided by (used in) operating activities	<u>(9)</u>	<u>3,511</u>	<u>(2,989)</u>	<u>3,001</u>
Cash flows from investing activities:				
Acquisition of property and equipment	(36)	(35)	(98)	(221)
Proceeds from sales of marketable investments	9,774	3,835	16,352	41,195
Proceeds from maturities of marketable investments	1,100	7,108	2,245	9,670
Purchase of marketable investments	(11,342)	(32,290)	(16,884)	(44,495)
Net cash provided by (used in) investing activities	<u>(504)</u>	<u>(21,382)</u>	<u>1,615</u>	<u>6,149</u>
Cash flows from financing activities:				
Proceeds from exercise of stock options and employee stock purchase plan	165	225	279	260
Net cash provided by financing activities	<u>165</u>	<u>225</u>	<u>279</u>	<u>260</u>
Net increase (decrease) in cash and cash equivalents	(348)	(17,646)	(1,095)	9,410
Cash and cash equivalents at beginning of period	35,793	38,110	36,540	11,054
Cash and cash equivalents at end of period	<u>\$ 35,445</u>	<u>\$ 20,464</u>	<u>\$ 35,445</u>	<u>\$ 20,464</u>

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

	Three Months Ended June 30,			Six Months Ended June 30,		
	2009	2008	Change	2009	2008	Change
Revenue By Geography:						
United States	\$ 4,551	\$ 12,383	-63%	\$ 10,896	\$ 24,768	-56%
International	7,114	12,371	-42%	15,199	21,604	-30%
	<u>\$ 11,665</u>	<u>\$ 24,754</u>	-53%	<u>\$ 26,095</u>	<u>\$ 46,372</u>	-44%
Revenue By Product Category:						
Products	\$ 5,664	\$ 18,364	-69%	\$ 13,702	\$ 33,690	-59%
Product upgrades	1,201	2,154	-44%	2,955	4,385	-33%
Service	3,397	2,686	+26%	6,650	5,391	+23%
Titan refills	1,403	1,550	-9%	2,788	2,906	-4%
	<u>\$ 11,665</u>	<u>\$ 24,754</u>	-53%	<u>\$ 26,095</u>	<u>\$ 46,372</u>	-44%