

ASTROTECH CORPORATION AND SUBSIDIARIES
Condensed Consolidated Statements of Operations and Comprehensive Income
(In thousands, except per share data)
(Unaudited)

	Three Months Ended December 31,		Six Months Ended December 31,	
	2015	2014	2015	2014
Revenue	\$ 927	\$ 4	\$ 927	\$ 324
Cost of revenue	632	4	632	281
Gross profit	295	—	295	43
Operating expenses:				
Selling, general and administrative	1,671	2,012	3,957	3,972
Research and development	1,326	984	2,590	1,676
Total operating expenses	2,997	2,996	6,547	5,648
Loss from operations	(2,702)	(2,996)	(6,252)	(5,605)
Interest and other expense, net	94	24	193	36
Loss from continuing operations before income taxes	(2,608)	(2,972)	(6,059)	(5,569)
Income tax benefit (expense)	—	734	(2)	2,059
Loss from continuing operations	(2,608)	(2,238)	(6,061)	(3,510)
Discontinued operations				
Income from discontinued operations	—	—	—	1,303
Income tax expense	—	(184)	—	(2,562)
Gain on sale of discontinued operations	—	—	—	25,630
(Loss) income from discontinued operations	—	(184)	—	24,371
Net (loss) income	(2,608)	(2,422)	(6,061)	20,861
Less: Net loss attributable to noncontrolling interest	(82)	—	(171)	—
Net (loss) income attributable to Astrotech Corporation	(2,526)	(2,422)	(5,890)	20,861
Less: Deemed dividend to State of Texas	—	—	—	531
Net (loss) income attributable to common stockholders	\$ (2,526)	\$ (2,422)	\$ (5,890)	\$ 20,330
Amounts attributable to Astrotech Corporation:				
Loss from continuing operations, net of tax	\$ (2,526)	\$ (2,238)	\$ (5,890)	\$ (3,510)
(Loss) income from discontinued operations, net of tax	—	(184)	—	24,371
Net (loss) income attributable to Astrotech Corporation	\$ (2,526)	\$ (2,422)	\$ (5,890)	\$ 20,861
Weighted average common shares outstanding:				
Basic and diluted	20,701	19,637	20,703	19,593
Basic and diluted net (loss) income per common share:				
Net loss attributable to Astrotech Corporation from continuing operations	\$ (0.12)	\$ (0.11)	\$ (0.28)	\$ (0.20)
Net (loss) income from discontinued operations	—	(0.01)	—	1.24
Net (loss) income attributable to Astrotech Corporation	\$ (0.12)	\$ (0.12)	\$ (0.28)	\$ 1.04
Other comprehensive (loss) income, net of tax:				
Available-for-sale securities:				
Net unrealized loss, net of tax benefit of \$40, \$0, \$73, and \$0	\$ (74)	\$ —	\$ (135)	\$ —
Reclassification adjustment for realized losses included in net (loss) income, net of taxes of \$2, \$0, \$5, and \$0	5	—	9	—
Total comprehensive (loss) income	\$ (2,595)	\$ (2,422)	\$ (6,016)	\$ 20,861

ASTROTECH CORPORATION AND SUBSIDIARIES

Condensed Consolidated Balance Sheets

(In thousands, except share data)

(Unaudited)

	<u>December 31,</u> <u>2015</u>	<u>June 30,</u> <u>2015</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 2,145	\$ 2,330
Short-term investments	18,192	23,161
Accounts receivable, net of allowance	143	198
Inventory	1,232	509
Indemnity receivable	6,100	6,100
Prepaid expenses and other current assets	475	296
Total current assets	28,287	32,594
Property and equipment, net	3,572	3,108
Long-term investments	5,768	8,516
Total assets	\$ 37,627	\$ 44,218
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	\$ 409	\$ 398
Accrued liabilities and other	1,483	1,801
Income tax payable	—	190
Total current liabilities	1,892	2,389
Other liabilities	130	101
Total liabilities	2,022	2,490
Commitments and contingencies		
Stockholders' equity		
Preferred stock, no par value, convertible, 2,500,000 shares authorized; no shares issued and outstanding, at December 31, 2015 and June 30, 2015	—	—
Common stock, no par value, 75,000,000 shares authorized; 21,864,548 shares issued at December 31, 2015 and June 30, 2015, respectively; 20,700,673 and 20,743,973 shares outstanding at December 31, 2015 and June 30, 2015, respectively	189,185	189,007
Treasury stock, 1,163,875 and 1,120,575 shares at cost at December 31, 2015 and June 30, 2015, respectively	(2,789)	(2,672)
Additional paid-in capital	1,210	1,139
Accumulated deficit	(151,912)	(146,022)
Accumulated other comprehensive loss	(217)	(23)
Equity attributable to stockholders of Astrotech Corporation	35,477	41,429
Noncontrolling interest	128	299
Total stockholders' equity	35,605	41,728
Total liabilities and stockholders' equity	\$ 37,627	\$ 44,218