

ORTHOLOGIC CORP  
Form 10-Q  
November 06, 2008

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2008

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: 0-21214

ORTHOLOGIC CORP.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation or organization)

86-0585310  
(IRS Employer Identification No.)

1275 W. Washington Street, Tempe, Arizona  
(Address of principal executive offices)

85281  
(Zip Code)

(602) 286-5520  
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

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.

Large accelerated  Accelerated  Non-accelerated  Smaller reporting

filer                     filer                     filer                     company

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

**APPLICABLE ONLY TO CORPORATE ISSUERS:**

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

40,731,642 shares of common stock outstanding as of October 31, 2008.

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ORTHOLOGIC CORP.  
 (dba Capstone Therapeutics)  
 (A Development Stage Company)  
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## PART I – Financial Information

## Item 1.

## Financial Statements

**ORTHOLOGIC CORP.**  
 (dba Capstone Therapeutics)  
 (A Development Stage Company)  
**CONDENSED BALANCE SHEETS**  
 (in thousands, except share and per share data)

	September 30, 2008 (Unaudited)	December 31, 2007
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 7,162	\$ 20,943
Short-term investments	39,322	18,236
Prepays and other current assets	1,142	906
<b>Total current assets</b>	<b>47,626</b>	<b>40,085</b>
Furniture and equipment, net	366	318
Long-term investments	4,508	21,459
<b>Total assets</b>	<b>\$ 52,500</b>	<b>\$ 61,862</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities		
Accounts payable	\$ 905	\$ 702
Accrued compensation	839	824
Other accrued liabilities	629	875
<b>Total current liabilities</b>	<b>2,373</b>	<b>2,401</b>
Stockholders' Equity		
Common Stock \$.0005 par value; 100,000,000 shares authorized; 40,731,642 in 2008 and 41,758,065 in 2007 shares issued and outstanding	20	21
Additional paid-in capital	188,244	189,013
Accumulated deficit	(138,137)	(129,573)