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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

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**FORM 8-K**

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**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

**Date of report (Date of earliest event reported): November 5, 2014**

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**STEREOTAXIS, INC.**  
(Exact Name of Registrant as Specified in Its Charter)

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**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**001-36159**  
(Commission  
File Number)

**94-3120386**  
(IRS Employer  
Identification No.)

**4320 Forest Park Avenue, Suite 100, St. Louis, Missouri**  
(Address of Principal Executive Offices)

**63108**  
(Zip Code)

**(314) 678-6100**  
(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report)

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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))
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## **Item 2.02 Results of Operations and Financial Condition**

On November 5, 2014, Stereotaxis, Inc. (the “Company”) issued a press release (the “Earnings Press Release”) setting forth its financial results for the third quarter of fiscal year 2014. A copy of the Earnings Press Release is being filed as Exhibit 99.1 hereto, and the statements contained therein are incorporated by reference herein. Also on November 5, 2014, certain members of the Company’s management team held a conference call to discuss earnings and operating results for the quarter ended September 30, 2014. The Script from the conference call is furnished as Exhibit 99.2 hereto and is incorporated by reference herein.

### Forward Looking Statements and Additional Information

Statements are made herein or incorporated herein that are “forward-looking statements” as defined by the Securities and Exchange Commission (the “SEC”). All statements, other than statements of historical fact, included or incorporated herein that address activities, events or developments that the Company expects, believes or anticipates will or may occur in the future are forward-looking statements. These statements are not guarantees of future events or the Company’s future performance and are subject to risks, uncertainties and other important factors that could cause events or the Company’s actual performance or achievements to be materially different than those projected by the Company. For a full discussion of these risks, uncertainties and factors, the Company encourages you to read its documents on file with the SEC. Except as required by law, the Company does not intend to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

In accordance with General Instruction B.2. of Form 8-K, the information contained in Item 2.02 and Exhibits 99.1 and 99.2 attached hereto shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall they be deemed 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.

99.1 Stereotaxis, Inc. Earnings Press Release dated November 5, 2014

99.2 Stereotaxis, Inc. Script from the conference call on November 5, 2014

**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 hereunto duly authorized.

Date: November 6, 2014

**STEREOTAXIS, INC.**

By: /s/ Karen Witte Duros

Name: Karen Witte Duros

Title: Sr. Vice President, General Counsel and Secretary

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**EXHIBIT INDEX**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Stereotaxis, Inc. Earnings Press Release dated November 5, 2014
99.2	Stereotaxis, Inc. Script from the conference call on November 5, 2014



### **Stereotaxis Reports 2014 Third Quarter Financial Results**

- Improves System Revenue 89% Sequentially from Second Quarter 2014-*
- Completes Five New Niobe® ES System Installations-*
- Secures First Niobe® ES System Order in Japan-*
- Achieves Record Low Operating Expenses of \$7.7 Million-*
- Receives FDA Clearance of Vdrive® with V-Loop™ System-*
- Hosts Conference Call Today at 4:30 p.m. Eastern Time-*

**ST. LOUIS, MO, November 5, 2014**—Stereotaxis, Inc. (NASDAQ: STXS) today reported financial results for the third quarter ended September 30, 2014.

William C. Mills, Stereotaxis Chief Executive Officer, said, “During the third quarter, we continued to aggressively execute on our strategic priorities. We secured our first commercial order for the Niobe® ES system in Japan, which should translate to revenue over the next two quarters, and we established a local business office under the guidance of a new business director, who brings a 20-year background in sales and organizational leadership for medical technology companies in Japan. In the U.S., we received FDA clearance of our Vdrive® with V-Loop™ system, our second Vdrive system product to be launched in the U.S.”

Mr. Mills continued, “Our U.S. and European operating regions contributed to sequential system revenue growth, completing five new system installations in the quarter. We also continued to work toward improved utilization through synergetic, one-on-one relationships with physician users and significant new product enhancements, such as the Ablation History feature. Our team is intensely focused on achieving operational excellence, realizing commercial success in our major global markets and developing economically attractive product solutions that maximize clinical outcomes and drive shareholder value.”

Martin C. Stammer, Chief Financial Officer of Stereotaxis, commented, “Our diligent focus on operating efficiency and carefully managing expenses resulted in record low operating expenses of \$7.7 million for the third quarter. Excluding required mark-to-market adjustments in both periods and accelerated amortization of a debt discount in 2013, we narrowed our net loss by \$1.3 million from the prior year third quarter. We are committed to disciplined economic decisions and aligning our resources with product innovations that we believe will deliver long-term benefits.”

### **Third Quarter 2014 Financial Results**

Revenue for the third quarter of 2014 totaled \$8.9 million, down 18% from \$10.8 million in the prior year third quarter, but up 10% sequentially from \$8.0 million in the second quarter 2014. System revenue was \$2.2 million, down 51% from \$4.4 million in the prior year quarter, but up 89% sequentially from \$1.2 million in the second quarter. During the quarter, the Company recognized revenue of \$0.9 million on completion of five *Niobe* ES system installations and one *Niobe* ES system upgrade, \$1.1 million in *Odyssey*<sup>®</sup> solution sales and \$0.2 million in *Vdrive* system sales. Recurring revenue was \$6.7 million in the third quarter, compared to \$6.4 million in the prior year quarter and \$6.9 million in the second quarter 2014. Procedures increased 2% from the same quarter last year and declined 6% sequentially.

The Company generated new capital orders of \$1.5 million on one *Niobe* ES system order, a *Niobe* ES system upgrade and two *Odyssey* solution orders in the third quarter, compared to \$1.8 million in the prior year third quarter and \$0.6 million in the second quarter of 2014. Ending capital backlog for the 2014 third quarter was \$6.0 million.

Gross margin in the quarter was \$6.5 million, or 73.6% of revenue, versus \$7.3 million, or 67.7% of revenue, in the third quarter of 2013. Operating expenses in the third quarter were \$7.7 million, an 8% improvement compared to \$8.4 million in the prior year quarter and the lowest reported quarterly operating expenses since the Company went public.

Operating loss in the third quarter was \$(1.2) million, compared to \$(1.1) million in the prior year third quarter. Interest expense was \$0.8 million, compared to \$7.6 million in the third quarter of 2013 that included a one-time, non-cash expense related to capital transactions.

Net income for the 2014 third quarter was less than \$0.1 million, or \$0.00 per share, compared to a net loss of \$(56.9) million, or \$(4.49) per share, reported in the third quarter of 2013, which included a non-cash, mark-to-market adjustment and accelerated amortization of convertible debt discount as a result of transactions with convertible note holders and other equity investors in August 2013. Excluding this charge, the net loss for the 2013 third quarter would have been \$(3.3) million, or \$(0.26) per share. Excluding mark-to-market warrant revaluation, the Company would have reported a net loss of \$(2.0) million, or \$(0.10) per share, in the third quarter of 2014. The weighted average diluted shares outstanding for the third quarters of 2014 and 2013 totaled 20.5 million and 12.7 million, respectively.

At September 30, 2014, Stereotaxis had cash and cash equivalents of \$8.7 million, compared to \$10.6 million at June 30, 2014. Cash burn for the third quarter of 2014 was \$2.3 million, compared to \$1.6 million for the third quarter of 2013. At quarter end, total debt was \$18.4 million related to HealthCare Royalty Partners long-term debt.

### **Conference Call and Webcast**

Stereotaxis will host a conference call and webcast today, November 5, 2014, at 4:30 p.m. Eastern Time, to discuss third quarter results. To access the conference call, dial 1-888-299-7209 (US and Canada) or 1-719-325-2491 (International) and give the participant pass code 6353523. Participants are asked to call the above numbers 5-10 minutes prior to the start time. To access the live and replay webcast, please visit the investor relations section of the Stereotaxis website at [www.stereotaxis.com](http://www.stereotaxis.com).

## **About Stereotaxis**

Stereotaxis is a healthcare technology and innovation leader in the development of robotic cardiology instrument navigation systems designed to enhance the treatment of arrhythmias and coronary disease, as well as information management solutions for the interventional lab. Over 100 issued patents support the Stereotaxis platform, which helps physicians around the world provide unsurpassed patient care with robotic precision and safety, improved lab efficiency and productivity, and enhanced integration of procedural information. Stereotaxis' core *Epoch*<sup>TM</sup> Solution includes the *Niobe*<sup>®</sup> ES remote magnetic navigation system, the *Odyssey*<sup>®</sup> portfolio of lab optimization, networking and patient information management solutions and the *Vdrive*<sup>®</sup> robotic navigation system and consumables.

The core components of Stereotaxis systems have received regulatory clearance in the U.S., European Union, Canada, China, Japan and elsewhere. The *V-Sono*<sup>TM</sup> ICE catheter manipulator and *V-Loop*<sup>TM</sup> variable loop catheter manipulator have received U.S. clearance, and the *V-CAS*<sup>TM</sup> catheter advancement system has been submitted for review by the U.S. Food and Drug Administration. For more information, please visit [www.stereotaxis.com](http://www.stereotaxis.com).

*This press release includes statements that may constitute "forward-looking" statements, usually containing the words "believe," "estimate," "project," "expect" or similar expressions. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Factors that would cause or contribute to such differences include, but are not limited to, the Company's ability to raise additional capital on a timely basis and on terms that are acceptable, its ability to continue to manage expenses and cash burn rate at sustainable levels, its ability to continue to work with lenders to extend, repay or refinance indebtedness on acceptable terms, continued acceptance of the Company's products in the marketplace, the effect of global economic conditions on the ability and willingness of customers to purchase its systems and the timing of such purchases, competitive factors, changes resulting from the recently enacted healthcare reform in the U.S., including changes in government reimbursement procedures, dependence upon third-party vendors, timing of regulatory approvals, and other risks discussed in the Company's periodic and other filings with the Securities and Exchange Commission. By making these forward-looking statements, the Company undertakes no obligation to update these statements for revisions or changes after the date of this release. There can be no assurance that the Company will recognize revenue related to its purchase orders and other commitments in any particular period or at all because some of these purchase orders and other commitments are subject to contingencies that are outside of the Company's control. In addition, these orders and commitments may be revised, modified, delayed or canceled, either by their express terms, as a result of negotiations, or by overall project changes or delays.*

### **Company Contact:**

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Chief Financial Officer  
314-678-6155

### **Investor Contact:**

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**STEREOTAXIS, INC.**  
**STATEMENTS OF OPERATIONS**  
**(Unaudited)**

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
<b>Revenue</b>				
Systems	\$ 2,181,088	\$ 4,449,598	\$ 4,669,224	\$ 10,000,926
Disposables, service and accessories	6,673,013	6,371,846	20,587,084	18,962,129
<b>Total revenue</b>	<u>8,854,101</u>	<u>10,821,444</u>	<u>25,256,308</u>	<u>28,963,055</u>
<b>Cost of revenue</b>				
Systems	1,318,456	2,338,175	2,958,668	5,132,007
Disposables, service and accessories	1,019,476	1,161,449	2,983,111	3,032,150
<b>Total cost of revenue</b>	<u>2,337,932</u>	<u>3,499,624</u>	<u>5,941,779</u>	<u>8,164,157</u>
<b>Gross margin</b>	<u>6,516,169</u>	<u>7,321,820</u>	<u>19,314,529</u>	<u>20,798,898</u>
<b>Operating expenses:</b>				
Research and development	1,214,405	1,300,287	4,030,594	4,313,590
Sales and marketing	3,717,670	4,102,968	11,445,089	13,213,528
General and administrative	2,763,667	2,987,408	9,537,043	9,688,116
<b>Total operating expenses</b>	<u>7,695,742</u>	<u>8,390,663</u>	<u>25,012,726</u>	<u>27,215,234</u>
<b>Operating loss</b>	<u>(1,179,573)</u>	<u>(1,068,843)</u>	<u>(5,698,197)</u>	<u>(6,416,336)</u>
<b>Other income (expense)</b>	2,034,731	(48,160,084)	2,139,718	(46,660,340)
<b>Interest income</b>	1,736	1,306	5,665	3,973
<b>Interest expense</b>	(834,224)	(7,640,821)	(2,505,842)	(11,722,679)
<b>Net income (loss)</b>	<u>\$ 22,670</u>	<u>\$ (56,868,442)</u>	<u>\$ (6,058,656)</u>	<u>\$ (64,795,382)</u>
Net earnings (loss) per common share:				
Basic	\$ 0.00	\$ (4.49)	\$ (0.31)	\$ (6.72)
Diluted	<u>\$ 0.00</u>	<u>\$ (4.49)</u>	<u>\$ (0.31)</u>	<u>\$ (6.72)</u>
<b>Weighted average shares used in computing net earnings (loss) per common share:</b>				
Basic	20,326,169	12,666,414	19,767,545	9,640,249
Diluted	20,518,757	12,666,414	19,767,545	9,640,249



**STEREOTAXIS, INC.**  
**BALANCE SHEETS**

	September 30, 2014 (Unaudited)	December 31, 2013
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 8,724,395	\$ 13,775,130
Accounts receivable, net of allowance of \$599,400 and \$383,077 in 2014 and 2013, respectively	7,027,781	7,558,152
Inventories	6,586,303	4,879,039
Prepaid expenses and other current assets	1,435,121	1,945,206
<b>Total current assets</b>	<b>23,773,600</b>	<b>28,157,527</b>
Property and equipment, net	897,321	1,184,589
Intangible assets, net	1,454,611	1,679,486
Long-term receivables	—	20,431
Other assets	31,580	34,363
<b>Total assets</b>	<b>\$ 26,157,112</b>	<b>\$ 31,076,396</b>
<b>Liabilities and stockholders' deficit</b>		
<b>Current liabilities:</b>		
Current maturities of long-term debt	\$ —	\$ 49,733
Accounts payable	2,505,155	3,512,339
Accrued liabilities	6,526,610	7,079,381
Deferred contract revenue	8,015,860	7,519,754
Warrants	3,504,908	5,644,626
<b>Total current liabilities</b>	<b>20,552,533</b>	<b>23,805,833</b>
Long-term debt, less current maturities	18,435,843	18,481,478
Long-term deferred contract revenue	974,095	491,080
Other liabilities	—	—
<b>Stockholders' deficit:</b>		
Preferred stock, par value \$0.001; 10,000,000 shares authorized, none outstanding at 2014 and 2013	—	—
Common stock, par value \$0.001; 300,000,000 shares authorized, 20,465,997 and 19,311,390 shares issued at 2014 and 2013, respectively	20,466	19,311
Additional paid-in capital	445,842,292	441,888,155
Treasury stock, 4,015 shares at 2014 and 2013	(205,999)	(205,999)
Accumulated deficit	(459,462,118)	(453,403,462)
<b>Total stockholders' deficit</b>	<b>(13,805,359)</b>	<b>(11,701,995)</b>
<b>Total liabilities and stockholders' deficit</b>	<b>\$ 26,157,112</b>	<b>\$ 31,076,396</b>

**Q3 2014 Results Call Script**

Nov. 5, 2014

**Bill:** Good day and thank you for joining us for a review of our third quarter 2014 performance. With me on the call today is Marty Stammer, our CFO. Following our prepared remarks, we will open up the call to questions.

Overall, we are pleased with our progress in the third quarter. By quarter end, we had accomplished several important milestones in major global markets and expanded our installed base with the completion of five new Niobe ES system deployments. These installs contributed to an 89% sequential improvement in system revenue and already have demonstrated a strong commitment to active utilization. Procedures grew year over year and our newest product enhancement, Ablation History, continued to improve operator performance. We also further narrowed the gap to breakeven through steadfast expense management, which resulted in our lowest reported operating expenses—\$7.7 million—since our IPO in 2004.

Our team is fully committed to strengthening the fundamental drivers of our business—brand expansion in key global markets, clinical adoption and significant product innovations—while exercising fiscal discipline.

With respect to global markets, our development efforts in Japan are off to a solid start. In September, we secured our first order for the Niobe ES system from a leading hospital in Osaka, which will be fully reflected in revenue results following shipment and installation, and is expected to be complete in the first quarter of 2015. The hospital plans to situate the Niobe lab in a newly constructed, state-of-the-art facility, describing the project as a commitment to safer, better quality services through the latest innovations.

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## Q3 2014 Results Call Script

Nov. 5, 2014

At the same time, we established a business office in central Tokyo under the leadership of a new Japan Business Director. Bringing 20 years of experience in sales, marketing and organizational management for Japan-based operations of global medical technology companies, the Business Director will guide our near-term priorities alongside our in-country distributors while developing long-term market goals to drive growth.

Consistent with these priorities, we are focused on closing additional sales opportunities in Japan, expanding our sales funnel, establishing Niobe reference sites to build clinical evidence and improving hospital reimbursement related to the Stereotaxis platform, part of which includes working toward additional product approval. In the third quarter, we submitted the application for our Odyssey solution in the Niobe lab to the Pharmaceuticals and Medical Devices Agency, Japan's equivalent to the U.S. Food and Drug Administration. We also are preparing for regulatory submission of our Vdrive system.

When we look at the worldwide electrophysiology (EP) market, we see North America, Europe, China and Japan performing 90% of all EP procedures. Establishing a foothold in Japan has been a critical step in our global expansion into these larger market geographies, and we believe there is tremendous opportunity in Japan for the unique capabilities of our robotic navigation platform.

In the U.S., we received FDA clearance of our Vdrive system with V-Loop variable loop catheter manipulator, the second Vdrive product to enter the U.S. market. We anticipate action soon on our V-CAS catheter advancement system, which was submitted for review in June. With the launch of V-Loop

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## Q3 2014 Results Call Script

Nov. 5, 2014

in addition to V-Sono, U.S. physicians can now realize the potential of the Vdrive duo robotic navigation system, which can eliminate manual manipulation of the two most commonly repositioned diagnostic tools used during ablation procedures: variable loop and ICE catheters.

Also during the quarter, we installed two new Niobe ES system sites in the U.S., both serving the greater Denver area and representing our first programs in the state of Colorado. These systems have the opportunity to set a new standard for complex ablations among a population of approximately 3 million residents.

Our remaining three installs in the third quarter were completed in our EMEA region and include the largest EP site in Russia. Located in the third most populous city in Russia, the hospital has the highest EP ablation throughput in Russia—about 1,700 each year—and is active in clinical research and associated international publications. Since launch in September, the Niobe ES lab has averaged 2.5 procedures per day and been featured on major television networks eager to illuminate the story of the new, unique treatment option now available in Russia.

This site is a great example of what we hope to achieve with each launch of a Niobe system—a program that not only hits the ground running but maintains a steady pace of utilization. We are well aware of the importance of an effective launch process and have implemented new training techniques and clinical resources to ensure a strong start at each new account. Likewise, we have become more adept at targeting the most significant accounts and triaging adoption issues by understanding exactly where the physician is in the learning pathway, how the platform does and

## Q3 2014 Results Call Script

Nov. 5, 2014

does not resonate with him or her and addressing any specific concerns. We also continue to leverage the experiences of proficient users in communicating and demonstrating the benefits of our system in particular patient cases. Our worldwide procedure volume, while down 6% on a sequential basis primarily due to the annual summer holidays in Europe, increased 2% year over year from the same quarter last year.

Just as we are focusing our energies on top global markets and select accounts in each, we are committed to aligning our resources with technology advancements that we believe will deliver long-term value to our customers and, ultimately, our shareholders. One such innovation, Ablation History, continues to demonstrate a positive impact on procedure efficiency, as well as some unexpected positive results.

Utilized in more than 1,300 procedures to date, physicians have seen a significant improvement in their ability to track therapy delivered during EP procedures with Ablation History. Rather than relying on a discrete point-by-point graphic representation of lesion-related data as is the case with existing approaches, Ablation History takes advantage of data visualization techniques to render an intuitively-accessible, continuous display of the power-time parameters used in characterizing ablation intensity. While the intent is to assist physicians in identifying gaps in lesion lines, many physicians are claiming that they are achieving first-pass isolation of the pulmonary veins more easily and reliably with Ablation History. In other words, rather than merely highlighting potential gaps, it is helping prevent gaps.

## Q3 2014 Results Call Script

Nov. 5, 2014

In the words of one physician, “By relying on the continuous and consistent contact that Niobe creates, Ablation History provides me the information I need to maximize the efficiency of ablation.” This past week, we released an enhanced version of Ablation History that allows physicians to more precisely control the display of Watt-seconds delivered. The next step is a clinical study on the Watt-seconds required to most effectively treat different locations of the heart anatomy.

With that, I would like to turn the call over to Marty to provide details of our third quarter 2014 financial results.

**Marty:** Thanks, Bill, and good afternoon, everyone.

Revenue in the third quarter was \$8.9 million, down 18% from \$10.8 million in the year ago third quarter but up 10% sequentially from \$8 million in the second quarter of 2014. System revenue of \$2.2 million compared to \$4.4 million in the third quarter of 2013 and \$1.2 million in the second quarter of this year. During the third quarter, we recognized revenue of \$900,000 on five Niobe ES system installations and one Niobe ES system upgrade, \$1.1 million in Odyssey solution sales and \$200,000 in Vdrive system sales.

New capital orders totaled \$1.5 million compared to \$600,000 in the second quarter and \$1.8 million in the year ago third quarter. Orders included one Niobe ES system, an ES system upgrade and two Odyssey solutions. At quarter end, our active backlog was \$6.0 million.

Recurring revenue was \$6.7 million in the quarter compared to \$6.4 million in the 2013 third quarter and \$6.9 million in the 2014 second quarter. We

## Q3 2014 Results Call Script

Nov. 5, 2014

believe our new, higher levels of recurring revenue are sustainable with continued progress in driving utilization and maintaining strong service revenue.

In the third quarter 2014, gross margin was \$6.5 million, or 73.6% of revenue, compared to \$7.3 million, or 67.7% of revenue, in the year ago quarter.

Operating expenses in the third quarter were \$7.7 million compared to \$8.4 million in the year ago period, an 8% improvement and our lowest reported operating expenses in 10 years. As Bill indicated, we are mindful of the strategic importance of every economic decision, which has created a culture of expense discipline and focused execution with the goal of continuing to narrow operating losses and generate the best return for our shareholders.

Operating loss in the third quarter was \$(1.2) million compared to \$(1.1) million in the third quarter of 2013. Interest expense was \$800,000 compared to \$7.6 million in the 2013 third quarter, which was primarily related to a one-time, non-cash expense on capital transactions in August 2013.

Net income for the third quarter of 2014 was \$23,000, or less than 1 cent per share, compared to a net loss of \$(56.9) million, or \$(4.49) per share, reported for the third quarter of 2013. The 2013 third quarter included a non-cash, mark-to-market adjustment and accelerated amortization of convertible debt discount as a result of transactions with convertible note holders and other equity investors. Excluding this charge, the net loss for the 2013 third quarter would have been \$(3.3) million, or \$(0.26) per share.

## Q3 2014 Results Call Script

Nov. 5, 2014

Excluding mark-to-market warrant revaluation, the net loss for the 2014 third quarter would have been \$(2.0) million, or \$(0.10) per share. The weighted average diluted shares outstanding for the third quarters of 2014 and 2013 totaled 20.5 million and 12.7 million, respectively.

On September 30, 2014, we had cash and cash equivalents of \$8.7 million, compared to \$10.6 million on June 30, 2014. In the third quarter, cash burn was \$2.3 million compared to \$1.6 million in the prior year quarter. During the quarter, we raised \$500K through our previously announced ATM facility. At quarter end, total debt was \$18.4 million, related to Healthcare Royalty Partners long-term debt.

I will now hand the call back to Bill.

**Bill:** Thanks, Marty.

As we move toward the end of 2014, we are pleased with the progress of our activities in Japan and with our opportunity to bring the Vdrive system to the U.S. Our global network is expanding, along with the clinical evidence accumulating around our path-breaking solutions for the EP market. We are using every tool at our disposal to more fully engage physicians on the superior performance of our platform. We will continue to enhance the efficacy, efficiency and usability of our technology, while working to achieve profitability and position the company for future growth.

Now, we will open up the call to your questions.



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**Q3 2014 Results Call Script**

Nov. 5, 2014

**Bill:** Thanks to each of you for your continued support. We wish you well in the final weeks of 2014 and very much look forward to speaking to you again in the new year.