
**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**

Date of Report (Date of earliest event reported)

August 12, 2008

IRIDEX CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation)

0-27598

(Commission File Number)

77-0210467

(IRS Employer
Identification No.)

**1212 Terra Bella Avenue
Mountain View, California 94043**

(Address of principal executive offices, including zip code)

(650) 940-4700

(Registrant's telephone number, including area code)

(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))
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Item 2.02. Results of Operations and Financial Condition.

On August 12, 2008, IRIDEX Corporation issued a press release discussing its financial results for the second quarter ended June 28, 2008. The press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

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 dated August 12, 2008.

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.

IRIDEX CORPORATION

By: /s/ THEODORE A. BOUTACOFF

Theodore A. Boutacoff

President and Chief Executive Officer

Date: **August 12, 2008**

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated August 12, 2008.

FOR IMMEDIATE RELEASE

Contact: Jim Mackaness
Chief Financial Officer
650 940-4700August 12, 2008
Mountain View, California**IRIDEX Reports Second Quarter 2008 Financial Results**

IRIDEX Corporation (Nasdaq: IRIX) today reported financial results for the second quarter ended June 28, 2008.

Revenue for the second quarter of 2008 was \$12.9 million, a 15.3% decrease from the \$15.2 million reported for the second quarter of 2007, but a 12.5% increase from the \$11.5 million reported for the first quarter of 2008. The Company recorded net income of \$0.3 million or \$0.03 per diluted share for the second quarter of 2008, an improvement over both the net loss of \$0.3 million or \$(0.04) per diluted share reported in the second quarter of 2007 and the net loss of \$0.9 million or \$(0.10) per diluted share reported for the first quarter of 2008.

Ophthalmology revenues were \$8.2 million in the second quarter of 2008, a 2.6% decrease from the \$8.4 million in the second quarter of 2007, but up 8.4% from the \$7.5 million recorded in the first quarter of 2008. Comparing second quarter 2008 to 2007, domestic ophthalmology revenues decreased 3.1% to \$4.8 million and international ophthalmology revenues decreased 1.8% to \$3.4 million. Ophthalmology recurring revenues, consisting of disposable products and service, increased to 54.0% of our total ophthalmology revenues for the second quarter 2008 from 47.7% during second quarter 2007.

Total aesthetics revenues were \$4.8 million in the second quarter of 2008, a decrease of 30.8% from the \$6.9 million in the comparable period of 2007, but 20.6% higher than the \$3.9 million reported in the first quarter of 2008. In the second quarter of 2008, domestic aesthetics revenues decreased \$1.5 million to \$2.0 million and international aesthetics revenues decreased \$0.6 million to \$2.8 million when compared to the same period in 2007.

Gross profit for the second quarter of 2008 was \$5.3 million, compared with \$6.6 million for the second quarter of 2007. Gross margins were 41.3% and 43.2%, respectively. Operating expenses for the second quarter 2008 were \$5.6 million compared with \$9.1 million for 2007.

Mr. Theodore A. Boutacoff, President and CEO stated, "Operationally we continue to make progress towards financial stability as demonstrated by the substantial improvement in our quarterly operating performance year over year, reducing losses from operations from \$2.6 million in the second quarter of 2007 to a loss of \$0.3 million in the second quarter of 2008, primarily due to reductions in operating expenses. In addition, we received the first of five annual installments of \$0.8 million relating to a legal settlement concluded in 2007 which was recorded in other income and resulted in us reporting net income of \$0.3 million for the second quarter of 2008. We continue to meet our obligations to AMS having paid them \$1.6

million in the second quarter, leaving a balance related to the Settlement Agreement of \$1.5 million which we plan to fully satisfy by the end of our third fiscal quarter.

On a sequential quarterly basis, we continue to be encouraged by our improving ophthalmology revenues and the fact that we saw an increase in our aesthetics revenues in spite of the overall softening of the aesthetics market in 2008.”

Cash and cash equivalents were \$4.1 million as of June 28, 2008 up from \$4.0 million as of March 29, 2008 and working capital increased to \$8.9 million from \$7.6 million over the same period. Cash used in operations for the second quarter was \$0.7 million which includes the \$1.6 million payment to AMS and our bank debt as of June 28, 2008 was \$6.0 million up from \$5.3 million as of March 29, 2008.

Conference Call

IRIDEX management will conduct a conference call later today, Tuesday, August 12, 2008 at 5:00 p.m. Eastern Time. Interested parties may access the live conference call via telephone by dialing (800) 366-7449 (US) or (303) 262-2143 (International), or visit the Company’s website at www.iredex.com. A telephone replay will be available beginning on Tuesday, August 12, 2008 through Tuesday, August 19, 2008 by dialing (800) 405-2236 (US) or (303) 590-3000 (International) and entering Passcode 11118106#. In addition, later today an archived version of the webcast will be available on the Company’s website at www.iredex.com.

About IRIDEX

IRIDEX Corporation is a leading worldwide provider of therapeutic based laser systems, disposable laser probes and delivery devices to treat eye diseases in ophthalmology and skin disorders in the aesthetics market. IRIDEX products are sold in the United States through a direct sales force and internationally through a combination of a direct sales force and a network of approximately 100 independent distributors into 107 countries. For further information, visit the Company’s website at <http://www.iredex.com>.

Safe Harbor Statement

This announcement contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Act of 1934, as amended, relating to the Company’s financial stability, growth strategy and prospects, and the Company’s ability to meet its obligations under the AMS Settlement Agreement. Please see a detailed description of these and other risks contained in our Annual Report on Form 10-K for the fiscal year ended December 29, 2007 and our Quarterly Report on Form 10-Q for the first quarter ended March 29, 2008 filed with the Securities and Exchange Commission. Forward-looking statements contained in this announcement are made as of this date and will not be updated.

IRIDEX Corporation
Condensed consolidated Statements of Operations
(In thousands, except per share data)
(unaudited)

	Three Months Ended		Six Months Ended	
	June 28, 2008	June 30, 2007	June 28, 2008	June 30, 2007
Revenues	\$ 12,922	\$ 15,249	\$ 24,396	\$ 27,815
Cost of revenues	7,591	8,665	14,260	16,023
Gross profit	<u>5,331</u>	<u>6,584</u>	<u>10,136</u>	<u>11,792</u>
Operating expenses:				
Research and development	998	1,588	2,023	3,317
Selling, general and administrative	4,589	7,546	9,107	15,820
Total operating expenses	<u>5,587</u>	<u>9,134</u>	<u>11,130</u>	<u>19,137</u>
Loss from operations	(256)	(2,550)	(994)	(7,345)
Legal settlement	800	2,500	800	2,500
Interest and other expense, net	(218)	(293)	(372)	(418)
Income (loss) before income taxes	326	(343)	(566)	(5,263)
Provision for income taxes	(51)	—	(51)	—
Net income (loss)	<u>\$ 275</u>	<u>\$ (343)</u>	<u>\$ (617)</u>	<u>\$ (5,263)</u>
Net income (loss) per share — basic and diluted	<u>\$ 0.03</u>	<u>\$ (0.04)</u>	<u>\$ (0.07)</u>	<u>\$ (0.65)</u>
Shares used in computing net income (loss) per share — basic and diluted	<u>8,824</u>	<u>8,196</u>	<u>8,824</u>	<u>8,138</u>

IRIDEX Corporation
Condensed consolidated Balance Sheets
(In thousands)
(unaudited)

	<u>June 28,</u> 2008 (unaudited)	<u>December 29,</u> 2007
Assets		
Current Assets:		
Cash and cash equivalents	\$ 4,092	\$ 5,809
Restricted cash	—	3,800
Accounts receivable, net	9,061	8,876
Inventories, net	15,197	15,967
Prepays and other current assets	983	1,051
Total current assets	<u>29,333</u>	<u>35,503</u>
Property and equipment, net	1,284	1,621
Goodwill	3,239	3,239
Other intangible assets, net	4,771	5,944
Other long term assets	252	347
Total assets	<u><u>38,879</u></u>	<u><u>46,654</u></u>
Liabilities and Stockholders' Equity		
Current Liabilities:		
Accounts payable	\$ 3,728	\$ 2,887
Bank line of credit	6,000	4,863
Accrued compensation	1,871	2,024
Accrued expenses	4,350	7,809
Accrued warranty	1,380	1,895
Deferred revenue	3,131	3,350
Bank term loan-current portion	—	5,016
Total current liabilities	<u>20,460</u>	<u>27,844</u>
Stockholders' Equity:		
Convertible preferred stock, \$.01 par value:		
Authorized: 2,000,000 shares;		
Issued and outstanding: 500,000 shares in 2008 and 2007	5	5
Common Stock, \$.01 par value:		
Authorized: 30,000,000 shares;		
Issued and outstanding: 8,824,301 shares in 2008 and 2007	89	89
Additional paid-in capital	38,922	38,695
Accumulated other comprehensive loss	(89)	(88)
Treasury stock, at cost	(430)	(430)
Accumulated deficit	<u>(20,078)</u>	<u>(19,461)</u>
Total stockholders' equity	<u>18,419</u>	<u>18,810</u>
Total liabilities and stockholders' equity	<u><u>\$ 38,879</u></u>	<u><u>\$ 46,654</u></u>