
**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)

November 19, 2007

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 November 19, 2007, IRIDEX Corporation issued a press release discussing its financial results for the third quarter ended September 29, 2007. 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 November 19, 2007.

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: **November 19, 2007**

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated November 19, 2007.

For Immediate Release

Contact: Theodore A. Boutacoff
President and CEO
650-940-4700

IRIDEX REPORTS THIRD QUARTER FINANCIAL RESULTS

MOUNTAIN VIEW, CA, November 19, 2007—IRIDEX Corporation (NASDAQ: IRIX) today reported financial results for the quarter ended September 29, 2007. Revenue for the period was \$13.6 million, a 47% increase from the \$9.2 million reported for the third quarter of 2006. The Company's net loss was \$1.2 million or \$0.15 per diluted share for the third quarter of 2007 compared with a loss of \$1.1 million or a loss of \$0.15 per diluted share in the third quarter of 2006. The prior year financial results do not include the AMS/Laserscope aesthetic acquisition completed on January 16, 2007.

Theodore A. Boutacoff, President and CEO stated "While neither I nor the other members of the board of directors are satisfied with the Company's recent performance, IRIDEX has taken numerous actions that we believe have put the Company back on track. These actions include:

- Strengthening the Company's cash position via a private placement with net proceeds to the Company of \$4.9 million. At the end of the third quarter, IRIDEX' total cash position was \$9.6 million (including \$3.8 million restricted to support our bank term loan).
 - Reducing operating expenses as a percentage of revenue to 53.3% during the third quarter of 2007 from 59.9% in the second quarter.
 - Improving gross margins to 45.6% in the third quarter 2007 from 43.2% in the second quarter 2007.
 - Reaching agreement with AMS on the major elements of the Laserscope acquisition. This agreement included approximately a \$2.7 million reduction in the acquisition purchase price to be paid and decreased the final inventory to be purchased from AMS to \$4.1 million from the originally agreed upon amount of up to \$9.0 million.
 - Successfully continuing the transfer of the Laserscope products we intend to manufacture into our Mountain View facility. Completion of this integration during our fourth quarter is expected to add to gross margin in subsequent quarters.
 - Adding two experienced outside members, James B. Hawkins and William M. Moore, to our board of directors. Both have substantial operating experience with growing medical device companies and have already made contributions as board members.
 - Expecting the receipt of an additional \$4 million in cash from the settlement of the litigation with Synergetics. This litigation had contributed significantly to the Company's expenses and losses during the prior periods. Under the settlement, Synergetics paid IRIDEX \$2.5 million on April 16, 2007 and agreed to additional annual payments of \$800,000 on each April 16th until 2012."
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Mr. Boutacoff continued, "This has been a difficult year for IRIDEX, our employees and our shareholders. We have and will continue to take decisive actions to improve operations, to provide value to our customers and to create value for our shareholders. A key area of focus will be addressing remaining issues and challenges relating to our expanded aesthetics business following the Laserscope acquisition."

Revenue for the nine-month period ended September 29, 2007 was \$41.4 million compared with the \$26.9 million reported for the same period of 2006. Net loss for the nine-month period ended September 29, 2007 was \$6.5 million or \$0.80 per diluted share compared with a net loss of \$2.0 million or a loss of \$0.26 per diluted share during the comparable period of 2006.

Ophthalmology sales were \$7.9 million for the third quarter of 2007 compared to \$8.0 million reported in the third quarter of 2006. Aesthetics sales grew to \$5.7 million for the third quarter of 2007, up from \$1.3 million for the corresponding quarter in 2006.

During the third quarter of 2007 domestic sales increased 26% to \$7.2 million compared to \$5.7 million for the third quarter of 2006; and international sales grew 80% to \$6.4 million compared to \$3.5 million for the third quarter of 2006. International sales are denominated in US dollars except for sales from the Company's subsidiaries in the UK and France, foreign currency fluctuations had no material impact.

Conference Call

IRIDEX management will conduct a conference call later today, Monday, November 19th at 5:00 p.m. EDT. Interested parties may access the live conference call via telephone by dialing (800) 218-0713 (US) or (303) 262-2140 (International), or by visiting the Company's website at <http://www.iridex.com>. A telephone replay will be available beginning on Monday, November 19 through Monday, November 26, 2007 by dialing (800) 405-2236 (US) or (303) 590-3000 (International) and entering Passcode 11102345#. In addition, an archived version of the webcast will be available beginning November 19, 2007 on the Company's website at www.iridex.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 97 independent distributors into 107 countries. For further information, visit the Company's website at <http://www.iridex.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 growth strategy and prospects, revenues, gross margins, and earnings, expenses, integrating the aesthetics business acquired from Laserscope and realizing efficiencies and synergies relating thereto, controlling costs, managing cash, and addressing our liquidity and capital resource needs. Actual results could differ materially and adversely from those projected in the forward-looking statements contained in our Quarterly Reports on Form 10-Q and Annual Report on Form 10-K for the fiscal year ended December 30, 2006 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 Balance Sheets
(In thousands)
(Unaudited)

	September 29, 2007 <small>(unaudited)</small>	December 30, 2006
<u>Assets</u>		
Current Assets:		
Cash and cash equivalents	\$ 5,795	\$ 21,051
Restricted cash	3,800	—
Accounts receivable, net	8,516	6,052
Inventories	13,250	9,499
Prepays and other current assets	2,053	1,264
Total current assets	33,414	37,866
Property and equipment, net	1,840	1,087
Goodwill	10,509	—
Other intangibles, net	14,488	—
Other long term debt	299	1,224
Total assets	\$ 60,550	\$ 40,177
<u>Liabilities and Stockholders' Equity</u>		
Current Liabilities:		
Accounts payable	\$ 3,552	\$ 1,830
Short term debt	5,110	—
Accounts compensation	1,540	1,517
Accrued expenses	4,435	2,392
Accrued warranty	2,182	866
Deferred revenue	3,977	1,415
Current portion of long term debt	5,311	—
Total current liabilities	26,107	8,020
Stockholders' Equity:		
Preferred stock	5	—
Common stock	83	79
Additional paid-in capital	38,500	29,697
Accumulated other comprehensive loss	(25)	—
Treasury stock	(430)	(430)
Retained earnings	(3,690)	2,811
Total stockholders' equity	34,443	32,157
Total liabilities and stockholders' equity	\$ 60,550	\$ 40,177

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

	Three Months Ended		Nine Months Ended	
	September 29, 2007*	September 30, 2006	September 29, 2007*	September 30, 2006
Sales	\$ 13,575	\$ 9,222	\$ 41,390	\$ 26,869
Cost of sales	7,390	4,350	23,412	13,076
Gross profit	<u>6,185</u>	<u>4,872</u>	<u>17,978</u>	<u>13,793</u>
Operating expenses:				
Research and development	1,319	1,506	4,636	3,955
Sales, general and administrative	5,920	4,854	21,740	12,651
Total operating expenses	<u>7,239</u>	<u>6,360</u>	<u>26,376</u>	<u>16,606</u>
Income (loss) from operations	(1,054)	(1,488)	(8,398)	(2,813)
Legal settlement	0	0	2,500	0
Interest and other income, net	(184)	184	(603)	540
Income (loss) before income taxes	(1,238)	(1,304)	(6,501)	(2,273)
Benefit from (provision for) income taxes	0	161	0	293
Net income (loss)	<u>(\$1,238)</u>	<u>(\$1,143)</u>	<u>(\$6,501)</u>	<u>(\$1,980)</u>
Net income (loss) per common share — basic & diluted	<u>(\$0.15)</u>	<u>(\$0.15)</u>	<u>(\$0.80)</u>	<u>(\$0.26)</u>
Shares used in per common share basic & diluted calculations	<u>8,218</u>	<u>7,758</u>	<u>8,165</u>	<u>7,680</u>

* Includes the impact of FAS123(R).