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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)  
March 4, 2010**

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**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 March 4, 2010, IRIDEX Corporation issued a press release discussing its financial results for the fourth quarter and full fiscal year ended January 2, 2010. 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 March 4, 2010.

**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: March 4, 2010

**EXHIBIT INDEX**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated March 4, 2010.

FOR IMMEDIATE RELEASE

Contact: Jim Mackaness  
Chief Financial Officer  
650 940-4700

March 4, 2010  
Mountain View, California

**IRIDEX Reports Fourth Quarter and Full Year 2009 Financial Results**

- **Fourth Consecutive Profitable Quarter**
- **Record Operating Income for the Year**
- **Generated \$6.8 Million of Cash for the Year**

IRIDEX Corporation (Nasdaq: IRIX) today reported financial results for the fourth quarter and full year ended January 2, 2010.

For the fourth quarter of 2009, the Company recorded a net profit of \$0.5 million or \$0.06 per diluted share compared to a net loss of \$6.5 million or \$(0.74) per diluted share for the fourth quarter of 2008. Gross margins improved to 45.6% from 37.5%, although revenue for the fourth quarter of 2009 was \$11.6 million, a 4.8% decrease from the \$12.1 million reported for the fourth quarter of 2008. For the fiscal year ended January 2, 2010, the Company recorded a net profit of \$2.6 million or \$0.29 per diluted share compared to a net loss of \$7.4 million or \$(0.84) per diluted share reported for 2008. Gross margins improved to 46.9% from 40.6%, although revenue for the full year 2009 was \$43.2 million, an 11.0% decrease from the \$48.5 million reported for 2008.

In 2008, the fourth quarter and full year results included an impairment charge of \$5.4 million for write down of goodwill and intangible assets which represented \$0.61 per diluted share.

“Our cash generation remains excellent. We have generated \$6.8 million in cash from operations for the year. Our cash balance now stands at \$9.4 million and we have reduced our bank debt from \$6.0 million to \$3.5 million” stated Mr. Theodore A. Boutacoff, President and CEO. “We continue to see the benefits of creating a very efficient and scalable business.”

“We have recorded our fourth consecutive quarter of profitability. Our operating income for the year was \$2.5 million an all time high for the Company, compared to 2008 where the Company had an operating loss of \$2.2 million (excluding impairment charges). This is an outstanding achievement especially given the current economy. We are particularly pleased with the improvement in gross margins and the fact that we have sustained these improvements throughout the year, and we continue to control our operating expenses. In summary, we met our 2009 objectives of being cash flow positive, driving to profitability and positioning ourselves for future growth.”

“During the fourth quarter we saw a very steady order rate for Ophthalmology Equipment which adds to our confidence for 2010. We see broadening interest in our recently introduced IQ 577 yellow laser. These facts, together with other initiatives we are undertaking, provide new growth opportunities for 2010. Looking forward, based on our performance for 2009, our financial model has our gross margins in the range of 45% to 50% with operating expenses between 40% and 42% for the year; and we are making progress towards our long term goals of 55% gross margins and 40% operating expenses.”

## **Conference Call**

IRIDEX management will conduct a conference call later today, Thursday, March 4, 2010 at 5:00 p.m. Eastern Time. Interested parties may access the live conference call via telephone by dialing (877) 941-8609 (U.S.) or (480) 629-9818 (International) and quoting Conference ID 4244509, or by visiting the Company's website at [www.igidex.com](http://www.igidex.com). A telephone replay will be available beginning on Thursday, March 4, 2010 through Thursday, March 11, 2010 by dialing (800) 406-7325 (U.S.) or (303) 590-3030 (International) and entering Access Code 4244509. In addition, later today an archived version of the webcast will be available on the Company's website at [www.igidex.com](http://www.igidex.com).

## **About IRIDEX**

IRIDEX Corporation was founded in 1989 and is a worldwide leader in developing, manufacturing, and marketing innovative and versatile laser-based medical systems and delivery devices. We provide solutions for multiple specialties, including ophthalmology, dermatology and otolaryngology. We maintain a deep commitment to the success of our customers, with comprehensive technical, clinical, and service support programs. IRIDEX is dedicated to a standard of excellence, offering superior technology for superior results. 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.igidex.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 scalable business model, operating expense controls, product demand, growth strategy and prospects, and expected gross margin and operating expense levels for 2010 and in the longer term. These statements are not guarantees of future performance and actual results may differ materially from those described in these forward-looking statements as a result of a number of factors. Please see a detailed description of these and other risks contained in our Quarterly Report on Form 10-Q for the quarter ended October 3, 2009 and our Annual Report on Form 10-K for the fiscal year ended January 3, 2009, each of which was 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		Twelve Months Ended	
	January 2, 2010	January 3, 2009	January 2, 2010	January 3, 2009
Revenues	\$ 11,563	\$ 12,145	\$ 43,212	\$ 48,528
Cost of revenues	6,289	7,592	22,939	28,849
Gross profit	<u>5,274</u>	<u>4,553</u>	<u>20,273</u>	<u>19,679</u>
Operating expenses:				
Research and development	974	1,015	3,609	4,009
Sales and marketing	2,507	2,987	9,273	10,998
General and administrative	1,006	1,498	4,873	6,844
Impairment of goodwill and intangible assets	—	5,364	—	5,364
Total operating expenses	<u>4,487</u>	<u>10,864</u>	<u>17,755</u>	<u>27,215</u>
Income (loss) from operations	787	(6,311)	2,518	(7,536)
Legal settlement	—	—	800	800
Interest and other expense, net	(40)	(81)	(237)	(507)
Income (loss) before income taxes	747	(6,392)	3,081	(7,243)
Provision for income taxes	230	111	496	127
Net income (loss)	<u>\$ 517</u>	<u>\$ (6,503)</u>	<u>\$ 2,585</u>	<u>\$ (7,370)</u>
Net income (loss) per share - basic	<u>\$ 0.06</u>	<u>\$ (0.74)</u>	<u>\$ 0.29</u>	<u>\$ (0.84)</u>
Net income (loss) per share - diluted	<u>\$ 0.06</u>	<u>\$ (0.74)</u>	<u>\$ 0.29</u>	<u>\$ (0.84)</u>
Shares used in computing net income (loss) per share - basic	<u>8,847</u>	<u>8,824</u>	<u>8,840</u>	<u>8,824</u>
Shares used in computing net income (loss) per share - diluted	<u>8,928</u>	<u>8,824</u>	<u>8,940</u>	<u>8,824</u>

**IRIDEX Corporation**  
**Condensed Consolidated Balance Sheets**  
(In thousands)  
(unaudited)

	<u>January 2, 2010</u>	<u>January 3, 2009</u>
	<u>(unaudited)</u>	
<b><u>Assets</u></b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 9,378	\$ 5,307
Accounts receivable, net	7,482	8,199
Inventories, net	8,999	11,644
Prepays and other current assets	470	540
Total current assets	26,329	25,690
Property and equipment, net	486	832
Other intangible assets, net	1,153	1,474
Other long term assets	323	229
Total assets	<u>\$ 28,291</u>	<u>\$ 28,225</u>
<b><u>Liabilities and Stockholders' Equity</u></b>		
<b>Current Liabilities:</b>		
Accounts payable	\$ 1,872	\$ 2,415
Bank line of credit	3,520	6,000
Accrued compensation	2,171	1,729
Accrued expenses	1,983	2,249
Accrued warranty	1,165	1,345
Deferred revenue	2,405	2,741
Total current liabilities	13,116	16,479
<b>Long Term Liabilities:</b>		
Deferred rent	149	—
<b>Total liabilities</b>	<b>13,265</b>	<b>16,479</b>
<b>Stockholders' Equity:</b>		
Convertible preferred stock	5	5
Common Stock	89	89
Additional paid-in capital	39,820	39,105
Accumulated other comprehensive loss	(212)	(192)
Treasury stock, at cost	(430)	(430)
Accumulated deficit	(24,246)	(26,831)
Total stockholders' equity	15,026	11,746
Total liabilities and stockholders' equity	<u>\$ 28,291</u>	<u>\$ 28,225</u>