
**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)
October 22, 2013

Pacific Biosciences of California, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-34899
(Commission
File Number)

16-1590339
(IRS Employer
Identification No.)

1380 Willow Road
Menlo Park, California 94025
(Address of principal executive offices, including zip code)

(650) 521-8000
(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):

- 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 October 22, 2013, Pacific Biosciences of California, Inc. announced its financial results for the quarter ended September 30, 2013. A copy of the press release containing the announcement is included as Exhibit 99.1 and is incorporated herein by reference.

This information, as well as Exhibit 99.1, is intended to be furnished under Item 2.02 of Form 8-K, "Results of Operations and Financial Condition" and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), nor 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 Press Release dated October 22, 2013 titled "Pacific Biosciences of California, Inc. Announces Third Quarter 2013 Financial Results" (furnished and not filed herewith solely pursuant to Item 2.02).

SIGNATURE

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.

Pacific Biosciences of California, Inc.

By:
 /s/ Brian B. Dow
 Brian B. Dow
 Vice President and Principal Accounting Officer

Date: October 22, 2013

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated October 22, 2013 titled "Pacific Biosciences of California, Inc. Announces Third Quarter 2013 Financial Results" (furnished and not filed herewith solely pursuant to Item 2.02).

**Pacific Biosciences of California, Inc. Announces
Third Quarter 2013 Financial Results**

Menlo Park, Calif. – October 22, 2013 – Pacific Biosciences of California, Inc. (NASDAQ: PACB) today announced financial results for the third quarter ended September 30, 2013.

Total revenue for the third quarter of 2013 totaled \$7.4 million, compared to \$6.0 million for the second quarter of 2013. Third quarter revenue reflects the installation of six PacBio RS II systems, compared to three systems in the second quarter of 2013. The Company added five PacBio RS II instrument bookings during the third quarter and ended the quarter with nine instruments in backlog.

Gross profit for the third quarter of 2013 was \$1.2 million, resulting in a gross margin of 17%, compared to gross profit of \$1.1 million and a gross margin of 18% for the second quarter of 2013.

Operating expenses totaled \$21.2 million for the third quarter of 2013, compared to \$21.1 million for the second quarter of 2013. Operating expenses included \$2.0 million of advisory and professional fees incurred in connection with the Company's Development, Commercialization and License Agreement with Roche Diagnostics announced on September 25, 2013. Operating expenses for the third quarter of 2013 also included \$2.2 million of non-cash stock-based compensation compared to \$2.4 million of non-cash stock-based compensation in the second quarter of 2013.

The net loss for the quarter was \$20.5 million, the same as the net loss for the second quarter of 2013.

Cash and investments at September 30, 2013 totaled \$126.9 million compared to \$107.0 million at June 30, 2013. The increase in cash and investments reported for the third quarter reflects an up-front, non-refundable \$35.0 million payment received from Roche Diagnostics. Excluding the proceeds received from Roche Diagnostics, net cash and investments used during the period reflects cash used of \$15.1 million.

Quarterly Conference Call Information

Management will host a quarterly conference call to discuss its third quarter 2013 results today at 4:30pm Eastern Time / 1:30pm Pacific Time. Investors may listen to the call by dialing 1.888.366.7247, or if outside the U.S., by dialing +1.707.287.9330. The call will be webcast live and will be available for replay at Pacific Biosciences' website at <http://investor.pacificbiosciences.com/>.

About Pacific Biosciences

Pacific Biosciences of California, Inc. (NASDAQ: PACB) offers the PacBio® RS II Sequencing System to help scientists solve genetically complex problems. Based on its novel Single Molecule, Real-Time (SMRT®) Sequencing technology, the company's products enable: targeted sequencing to more comprehensively characterize genetic variations; de novo genome assembly to more fully identify, annotate and decipher genomic structures; and DNA base modification identification to help characterize epigenetic regulation and DNA damage. By providing access to information that was previously inaccessible, Pacific Biosciences enables scientists to increase their understanding of biological systems.

Forward-Looking Statements

This press release contains forward-looking statements relating to the Company's operations and operating results, including statements relating to the Company's backlog and future revenue implied by such backlog. You should not place undue reliance on these forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are, in some cases, beyond the Company's control and that could materially affect actual results. Factors that could materially affect actual results can be found in the Company's filings with the Securities and Exchange Commission, including the most recently filed Quarterly Report on Form 10-Q, and include those listed under the caption "Risk Factors." The Company expressly disclaims any intent or obligation to update these forward-looking statements, except as required by law.

Contact:

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ir@pacificbiosciences.com

Pacific Biosciences of California, Inc.
Unaudited Consolidated Statement of Operations
(amounts in thousands, except per share amounts)

	Quarters Ended		
	September 30, 2013	June 30, 2013	September 30, 2012
Revenue:			
Product revenue	\$ 5,814	\$ 4,601	\$ 1,268
Service and other revenue	1,607	1,447	1,283
Grant revenue	—	—	225
Total revenue	7,421	6,048	2,776
Cost of revenue:			
Cost of product revenue	4,616	3,322	960
Cost of service and other revenue	1,564	1,667	1,626
Total cost of revenue	6,180	4,989	2,586
Gross profit	1,241	1,059	190
Operating expense:			
Research and development	10,419	11,682	12,626
Sales, general and administrative	10,757	9,374	10,143
Total operating expense	21,176	21,056	22,769
Operating loss	(19,935)	(19,997)	(22,579)
Interest expense	(686)	(673)	(68)
Other income (expense), net	134	199	(82)
Net loss	\$ (20,487)	\$ (20,471)	\$ (22,729)
Basic and diluted net loss per share	\$ (0.31)	\$ (0.33)	\$ (0.41)
Shares used in computing basic and diluted net loss per share	65,523	61,922	55,877

Pacific Biosciences of California, Inc.
Unaudited Consolidated Statement of Operations
(amounts in thousands, except per share amounts)

	Year to Date	
	September 30, 2013	September 30, 2012
Revenue:		
Product revenue	\$ 14,248	\$ 15,810
Service and other revenue	4,528	3,620
Grant revenue	272	675
Total revenue	19,048	20,105
Cost of Revenue:		
Cost of product revenue	11,138	14,949
Cost of service and other revenue	4,680	4,843
Total cost of revenue	15,818	19,792
Gross profit	3,230	313
Operating Expense:		
Research and development	34,084	35,971
Sales, general and administrative	29,685	36,986
Total operating expense	63,769	72,957
Operating loss	(60,539)	(72,644)
Interest expense	(1,785)	(207)
Other income (expense), net	262	55
Net loss	\$ (62,062)	\$ (72,796)
Basic and diluted net loss per share	\$ (1.01)	\$ (1.31)
Shares used in computing basic and diluted net loss per share	61,636	55,582

Pacific Biosciences of California, Inc.
Unaudited Condensed Consolidated Balance Sheets
(amounts in thousands)

	September 30, 2013	June 30, 2013	December 31, 2012
Assets			
Cash and investments	\$ 126,936	\$ 106,968	\$ 100,580
Accounts receivable	3,814	4,104	2,822
Inventory	9,819	10,283	9,592
Prepaid and other current assets	1,194	759	2,006
Property and equipment	10,544	11,655	14,329
Other long-term Assets	493	508	354
Total Assets	\$ 152,800	\$ 134,277	\$ 129,683
Liabilities and Stockholders' Equity			
Accounts payable	\$ 3,413	\$ 2,605	\$ 2,988
Accrued and other current liabilities	8,707	9,141	8,377
Deferred revenue	4,234	4,081	4,178
Deferred development revenue	35,000	—	—
Facility financing and other non-current liabilities	3,836	4,151	4,758
Financing Derivative	894	894	—
Notes Payable	13,173	13,007	—
Stockholders' equity	83,543	100,398	109,382
Total Liabilities and Stockholders' Equity	\$ 152,800	\$ 134,277	\$ 129,683