
**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) May 1, 2012

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 May 1, 2012, Pacific Biosciences of California, Inc. announced its financial results for the quarter ended March 31, 2012. A copy of the press release containing the announcement is included as Exhibit 99.1 and is incorporated herein by reference.

This information 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"), 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 Number</u>	<u>Description</u>
99.1	Press Release dated May 1, 2012 titled "Pacific Biosciences of California Announces First Quarter 2012 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/ SUSAN K. BARNES

Susan K. Barnes
Executive Vice President
and Chief Financial Officer

Date: May 1, 2012

EXHIBIT INDEX

**Exhibit
Number**
99.1

Description

Press Release dated May 1, 2012 titled "Pacific Biosciences of California Announces First Quarter 2012 Financial Results" (furnished and not filed herewith solely pursuant to Item 2.02).

**Pacific Biosciences of California, Inc. Announces
First Quarter 2012 Financial Results**

Menlo Park, Calif. – May 1, 2012 – Pacific Biosciences of California, Inc. (Nasdaq: PACB) today announced financial results for the first quarter ended March 31, 2012.

During the first quarter of 2012, the Company recognized revenue from installations of its PacBio RS systems, SMRT® cell and reagent consumables, instrument service contracts and grants. Revenue totaled \$10.0 million for the quarter, compared to revenue recognized of \$12.4 million for the fourth quarter of 2011. Net loss for the quarter was \$27.6 million compared to the \$22.8 million net loss recognized during the fourth quarter of 2011.

Gross loss for the first quarter totaled \$0.2 million, resulting in a negative margin of 2%, compared to gross profit for the fourth quarter of 2011 of \$1.5 million and a positive gross margin of 12%.

Operating expenses comprised of research and development and selling, general and administrative expenses for the first quarter of 2012 totaled \$27.4 million, representing a 13% increase compared to \$24.2 million for the fourth quarter of 2011. The first quarter operating expenses include \$2.0 million of non-cash stock-based compensation with \$1.1 million and \$0.9 million recorded in research and development and selling, general and administrative expenses, respectively.

Research and development expense during the first quarter of 2012 totaled \$12.1 million, representing a 3% decrease compared to \$12.4 million for the fourth quarter of 2011. Selling, general and administrative expense during the first quarter of 2012 totaled \$15.3 million, representing a 29% increase compared to \$11.8 million for the fourth quarter of 2011. The \$3.5 million increase in quarterly SG&A expense includes a \$2.6 million increase in legal expense, of which \$1.8 million relates to the settlement of two intellectual property matters.

Cash and investments at March 31, 2012 totaled \$161.3 million compared to \$177.4 million at December 31, 2011.

The Company's system revenue backlog totaled approximately \$4.7 million as of March 31, 2012, which represents orders for seven PacBio RS instruments received as of that date. The backlog of seven instruments reflects the 16 instruments in backlog as of December 31, 2011, 11 installations and two additions during the first quarter.

Quarterly Conference Call Information

Management will host a quarterly conference call to discuss its First Quarter 2012 results today at 4:30pm Eastern / 1:30pm Pacific. Investors may listen to the call by dialing 866.783.2137, or if outside the U.S., by dialing +1.857.350.1596, and entering passcode 916.273.13. The call will be webcast live and will be available for replay at Pacific Biosciences' website at <http://investor.pacificbiosciences.com/>.

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 revenue. 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 Pacific Biosciences of California's filings with the Securities and Exchange Commission, including the most recently filed Annual Report on Form 10-K, including those listed under the caption "Risk Factors." Pacific Biosciences of California expressly disclaims any intent or obligation to update these forward-looking statements, except as required by law.

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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		
	March 31, 2012	December 31, 2011	March 31, 2011
Revenue:			
Product revenue	\$ 8,715	\$ 11,519	\$ —
Service and other revenue	1,053	760	—
Grant revenue	270	165	270
Total revenue	<u>10,038</u>	<u>12,444</u>	<u>270</u>
Cost of revenue:			
Cost of product revenue	8,607	9,642	—
Cost of service and other revenue	1,583	1,265	—
Total cost of revenue	<u>10,190</u>	<u>10,907</u>	<u>—</u>
Gross (loss) profit	<u>(152)</u>	<u>1,537</u>	<u>270</u>
Operating expense:			
Research and development	12,073	12,415	24,118
Sales, general and administrative	15,285	11,811	11,119
Total operating expense	<u>27,358</u>	<u>24,226</u>	<u>35,237</u>
Operating loss	<u>(27,510)</u>	<u>(22,689)</u>	<u>(34,967)</u>
Other (expense) income, net	<u>(70)</u>	<u>(134)</u>	<u>158</u>
Net loss	<u><u>\$(27,580)</u></u>	<u><u>\$ (22,823)</u></u>	<u><u>\$(34,809)</u></u>
Basic and diluted net loss per share	<u><u>\$ (0.50)</u></u>	<u><u>\$ (0.42)</u></u>	<u><u>\$ (0.66)</u></u>
Shares used in computing basic and diluted net loss per share	<u><u>55,201</u></u>	<u><u>54,861</u></u>	<u><u>52,756</u></u>

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

	March 31, 2012 <small>(unaudited)</small>	December 31, 2011 ⁽¹⁾
Assets		
Cash and investments	\$ 161,349	\$ 177,434
Accounts receivable	1,505	4,557
Inventory	11,821	15,517
Prepaid and other current assets	2,131	2,093
Total current assets	176,806	199,601
Property and equipment	17,592	18,398
Other assets	340	317
Total Assets	\$ 194,738	\$ 218,316
Liabilities and Stockholders' Equity		
Accounts payable	\$ 4,250	\$ 4,742
Deferred revenue	3,920	4,236
Accrued and other current liabilities	11,626	10,398
Total current liabilities	19,796	19,376
Facility financing and other non-current liabilities	7,039	7,477
Stockholders' equity	167,903	191,463
Total Liabilities and Stockholders' Equity	\$ 194,738	\$ 218,316

Note 1: The consolidated balance sheet at December 31, 2011 has been derived from the audited consolidated financial statements at that date included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2011.