

LIQUIDMETAL TECHNOLOGIES INC
Form 424B3
November 14, 2006

**Prospectus Supplement Filed pursuant to Rule 424(b)(3)
Registration No. 333-130251**

**PROSPECTUS SUPPLEMENT NO. 5
DATED NOVEMBER 14, 2006
(To Prospectus Dated August 7, 2006)**

LIQUIDMETAL TECHNOLOGIES, INC.

11,614,322 Shares of Common Stock

This prospectus supplement supplements information contained in, and should be read in conjunction with, that certain Prospectus, dated August 7, 2006, of Liquidmetal Technologies, Inc., as supplemented by Supplement #1, dated August 9, 2006, Supplement #2, dated August 16, 2006, Supplement #3, dated October 12, 2006, and Supplement #4, dated October 24, 2006.

This prospectus supplement is not complete without, and may not be delivered or used except in connection with, the original Prospectus and Supplements #1, #2, #3, and #4 thereto. The Prospectus relates to the public sale, from time to time, of up to 11,614,322 shares of our common stock by the selling shareholders identified in the Prospectus.

The information attached to this prospectus supplement modifies and supersedes, in part, the information in the Prospectus, as supplemented. Any information that is modified or superseded in the Prospectus shall not be deemed to constitute a part of the Prospectus, except as modified or superseded by this prospectus supplement or Prospectus Supplements #1, #2, #3, and #4.

This prospectus supplement includes the attached Quarterly Report on Form 10-Q, as filed by us with the Securities and Exchange Commission on November 14, 2006.

We may amend or supplement the Prospectus, as supplemented, from time to time by filing amendments or supplements as required. You should read the entire Prospectus and any amendments or supplements carefully before you make an investment decision.

The Securities and Exchange Commission and state securities regulators have not approved or disapproved these securities or determined if this Prospectus Supplement (or the original Prospectus, as previously supplemented) is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus supplement is November 14, 2006.

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2006

OR

• TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the transition period from to

Commission File No. 001-31332

LIQUIDMETAL TECHNOLOGIES, INC.

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(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

33-0264467
(I.R.S. Employer
Identification No.)

25800 Commercentre Drive, Suite 100

Lake Forest, California 92630

(address of principal executive office, zip code)

Registrant's telephone number, including area code: **(949) 206-8000**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for at least the past 90 days.

Yes No

Indicate by check whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of September 30, 2006, there were 44,131,268 shares of the registrant's common stock, \$0.001 par value, outstanding.

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LIQUIDMETAL TECHNOLOGIES, INC.
FORM 10-Q
FOR THE QUARTER ENDED SEPTEMBER 30, 2006

FORWARD-LOOKING INFORMATION

Statements in this report concerning the future sales, expenses, profitability, financial resources, product mix, market demand, product development and other statements in this report concerning the future results of operations, financial condition and business of Liquidmetal Technologies, Inc. are forward-looking statements as defined in the Securities Act of 1933 and Securities Exchange Act of 1934. Investors are cautioned that the Company's actual results in the future may differ materially from those projected in the forward-looking statements due to risks and uncertainties that exist in the Company's operations and business environment, including competition, need for increased acceptance of products, ability to continue to develop and extend our brand identity, ability to anticipate and adapt to a competitive market, ability to effectively manage rapidly expanding operations, amount and timing of operating costs and capital expenditures relating to expansion of our business, operations and infrastructure, ability to provide superior customer service, dependence upon key personnel and the like. The Company's most recent filings with the Securities and Exchange Commission, including Form 10-K, contain additional information concerning many of these risk factors, and copies of these filings are available from the Company upon request and without charge.

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PART I

FINANCIAL INFORMATION

Item 1 Financial Statements

LIQUIDMETAL TECHNOLOGIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands, except share data)

	September 30, 2006 (Unaudited)	December 31, 2005 (Restated)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 563	\$ 1,392
Trade accounts receivables, net of allowance for doubtful accounts of \$95 and \$61	5,099	2,360
Inventories	2,218	1,748
Prepaid expenses and other current assets	1,635	609
Total current assets	9,515	6,109
Property, plant and equipment, net	12,467	13,437
Idle equipment	190	193
Other intangibles, net	1,198	1,185
Other assets	131	639
Total assets	23,501	21,563
LIABILITIES AND SHAREHOLDERS DEFICIENCY		
Current liabilities:		
Accounts payable and accrued expenses	8,850	6,530
Settlement payable		3,331
Deferred revenue	46	1,275
Short-term debt, net of debt discounts of \$14 and \$0	3,321	550
Long-term debt, current portion, net of debt discounts of \$5,089 and \$0	12,497	1,343
Warrant liabilities	4,225	1,792
Conversion feature liabilities	3,690	1,798
Other liabilities, current portion	250	483
Total current liabilities	32,879	17,102
Long-term debt, net of current portion and debt discounts of \$0 and \$8,259	550	5,433
Other long-term liabilities, net of current portion	466	348
Total liabilities	33,895	22,883
Shareholders' deficiency:		
Common stock, \$0.001 par value; 100,000,000 shares authorized and 44,131,268 issued and outstanding at September 30, 2006 and 42,187,621 issued and outstanding at December 31, 2005	44	42
Additional paid-in capital	135,461	130,893
Accumulated deficit	(148,352)	(134,525)
Accumulated other comprehensive income	2,453	2,270
Total shareholders' deficiency	(10,394)	(1,320)
Total liabilities and shareholders' deficiency	\$ 23,501	\$ 21,563

The accompanying notes are an integral part of the condensed consolidated financial statements.