

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K/A-2  
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 28, 1997

LANDEC CORPORATION  
(Exact name of registrant as specified in its charter)

California  
(State or other jurisdiction of incorporation or organization)

0-27446  
(Commission file number)

94-3025618  
(IRS Employer Identification No.)

3603 Haven Avenue, Menlo Park, California  
(Address of principal executive offices)

94025  
(Zip Code)

Registrant's telephone number, including area code: (650) 306-1650

N/A  
(Former name or former address, if changed from last report)

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The undersigned Registrant hereby amends the following items from the Current Report on Form 8-K filed on September 12, 1997, as amended by the Current Report on Form 8-K/A-1 filed on November 7, 1997. The Registrant is amending Item 7 to include certain pro forma financial information associated therewith.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits

(a) Financial Statements of Acquired Business

Not applicable

(b) Pro Forma Financial Information

The following pages 3 through 9 contain (1) the unaudited pro forma condensed consolidated balance sheet as of July 31, 1997, and the notes thereto and (2) the unaudited pro forma condensed consolidated statement of operations for the nine months ended July 31, 1997 and for the year ended October 31, 1996 and the notes thereto.

(c) Exhibits

10.18 \*Asset Purchase Agreement between Bissell Healthcare Corporation and Landec Corporation, dated August 28, 1997.

10.19 \*Technology License Agreement between Bissell Healthcare Corporation and Landec Corporation, dated August 28, 1997.

10.20 \*Supply Agreement between Bissell Healthcare Corporation and Landec Corporation, dated August 28, 1997.

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\* Confidential treatment requested.

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LANDEC CORPORATION  
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED  
FINANCIAL INFORMATION

The unaudited pro forma condensed consolidated financial information comprised of a pro forma condensed consolidated balance sheet, pro forma condensed consolidated statement of operations, and explanatory notes (collectively, "the Pro Forma Financial Information") were prepared to give effect to the sale by Landec Corporation ("Landec" or the "Company") of certain assets associated with the Registrant's QuickCast(TM) line of business(the "Business") to Bissell Healthcare Corporation ("Bissell"). The sale has been accounted for as a disposal of a segment. The pro forma condensed consolidated balance sheet as of July 31, 1997, assumes that the sale occurred on July 31, 1997. The pro forma condensed consolidated statement of operations for the nine months ended July 31, 1997, and for the fiscal year ended October 31, 1996 assumes that the sale occurred on November 1, 1995, except that the non-recurring gain on the transaction has been omitted. The Pro Forma Financial Information do not purport to represent what Landec's financial position or results of operations would have been if the sale in fact had occurred on that date or at the beginning of the periods indicated or to project Landec's financial position or results of operations for any future date or period.

The pro forma adjustments are based upon available information and upon certain assumptions as described in Note 1 to the Pro Forma Financial Information that Landec believes are reasonable under the circumstances. The Pro Forma Financial Information should be read in conjunction with the historical consolidated financial statements, including the notes thereto. The historical consolidated financial statements of Landec are included in its Quarterly Report on Form 10-Q for the period ended July 31, 1997, as filed with the Securities and Exchange Commission on September 15, 1997 and in its Annual Report on Form 10-K for the fiscal year ended October 31, 1996, as filed with the Securities and Exchange Commission on January 29, 1997.

LANDEC CORPORATION  
 UNAUDITED PRO FORMA CONDENSED  
 CONSOLIDATED BALANCE SHEET  
 July 31, 1997  
 (in thousands)

	Historical	Pro Forma Adjustments	Adjusted Pro Forma
Assets			
Current Assets:			
Cash and cash equivalents	\$ 7,740	\$ 950 (a) (158)(b)	\$ 8,690 (158)
Short-term investments	11,280	--	11,280
Restricted investment	8,837	--	8,837
Accounts receivable, net	2,318	--	2,318
Inventory	2,125	(215)(c)	1,910
Prepaid expenses and other current assets	567	(236)(d)	331
Total Current Assets	32,867	341	33,208
Property and equipment, net	4,078	(177)(e)	3,901
Intangible assets	6,916	--	6,916
Other assets	202	(15)(d)	187
	\$ 44,063	\$ 149	\$ 44,212
Liabilities and Stockholders' Equity			
Current Liabilities:			
Accounts Payable	\$ 1,079	--	\$ 1,079
Accrued compensation	441	--	441
Other accrued liabilities	694	238 (f)	932
Payable related to acquisition of Dock Resins	9,105	--	9,105
Current portion of long term debt	292	(116)(b)	176
Deferred revenue	104	--	104
Total Current Liabilities	11,715	122	11,837
Non-current portion of long term debt	129	(43)(b)	86
Deferred compensation	135	--	135
Stockholders' Equity:			
Common stock	70,490	--	70,490
Notes receivable from shareholders	(13)	--	(13)
Deferred compensation	(226)	--	(226)
Accumulated deficit	(38,167)	70 (g)	(38,097)
Total Stockholders' Equity	32,084	70	32,154
	\$ 44,063	\$ 149	\$ 44,212

See accompanying notes.

LANDEC CORPORATION  
NOTES TO UNAUDITED PRO FORMA CONDENSED  
CONSOLIDATED BALANCE SHEET  
July 31, 1997

1. BASIS OF PRESENTATION

The unaudited pro forma condensed consolidated balance sheet information has been prepared by reflecting the historical consolidated balance sheet of Landec at July 31, 1997 and gives effect to the pro forma adjustments as described in the notes below.

- (a) The pro forma adjustment reflects the cash proceeds received from Bissell for the sale of Landec's QuickCast line of business. The Company has accounted for this sale as a disposal of a segment.
- (b) The pro forma adjustment reflects the portion of the Company's capital lease obligations associated with the QuickCast business line which was extinguished early so that the equipment could be sold to Bissell lien free.
- (c) The pro forma adjustment reflects the net book value of QuickCast inventory sold to Bissell.
- (d) The pro forma adjustment reflects the operating losses from the measurement date of June 12, 1997 (the date management adopted a plan to dispose of the QuickCast business line) through July 31, 1997 and direct costs incurred as of July 31, 1997. The losses were recorded as an asset as of July 31, 1997, in accordance with generally accepted accounting principles which specifies that operating losses should be deferred until the disposal date if the sale of a business line will result in a net gain(gain on disposal less loss from operations).
- (e) The pro forma adjustment reflects the net book value of the QuickCast equipment sold to Bissell.
- (f) The pro forma adjustment reflects the estimated operating loss incurred from August 1, 1997 to the close date of August 28, 1997 and the estimated other liabilities incurred resulting from the sale of the QuickCast line of business. The other liabilities primarily include legal, accounting, severance, and miscellaneous costs.
- (g) The pro forma adjustment reflects the gain on the sale of the QuickCast line of business. This amount will be recorded as a gain from discontinued operations for the quarter ending October 31, 1997. This gain is reflected in the unaudited pro forma condensed consolidated balance sheet but not in the unaudited pro forma condensed consolidated statement of operations due to its unusual, non-recurring nature.

LANDEC CORPORATION  
 UNAUDITED PRO FORMA  
 CONSOLIDATED STATEMENT OF OPERATIONS  
 Nine Months Ended July 31, 1997  
 (in thousands, except per share amounts)

	Historical -----	Pro Forma Adjustments -----	Adjusted Pro Forma -----
Revenues:			
Product sales	\$ 5,076	\$ (240)(a)	\$ 4,836
License fees	--	--	--
Research and development revenues	671	--	671
	-----	-----	-----
Total revenues	5,747	(240)	5,507
Operating costs and expenses			
Cost of product sales	3,731	(462)(a)	3,269
Research and development	3,316	(12)(a)	3,304
Selling, general and administrative	3,715	(822)(a)	2,893
Purchase of in process research and development	3,022	--	3,022
	-----	-----	-----
Total operating costs and expenses	13,784	(1,296)	12,488
	-----	-----	-----
Operating (loss)	(8,037)	(1,056)	(6,981)
Interest income	1,353	(1)(a)	1,352
Interest expense	(197)	18 (a)	(179)
	-----	-----	-----
Net (loss)	\$ (6,881)	(1,073)	\$ (5,808)
	=====	=====	=====
Net (loss) per share	\$ (0.63)		\$ (0.53)
	=====		=====
Shares used in calculating per share information	10,938		10,938
	=====		=====

See accompanying notes.

LANDEC CORPORATION  
NOTES TO UNAUDITED PRO FORMA CONDENSED  
CONSOLIDATED STATEMENT OF OPERATIONS  
July 31, 1997

The unaudited pro forma condensed combined statement of operations information has been prepared by reflecting the historical consolidated statement of operations of Landec for the nine months ended July 31, 1997 and gives effect to the pro forma adjustment as described in the notes below.

- (a) The pro forma adjustment represents the operating activity for the QuickCast line of business from November 1, 1996 to June 12, 1997 (the measurement date).

LANDEC CORPORATION  
 UNAUDITED PRO FORMA CONDENSED  
 CONSOLIDATED STATEMENT OF OPERATIONS  
 Twelve Months Ended October 31, 1996  
 (In thousands, except per share amounts)

	Historical -----	Pro Forma Adjustments -----	Adjusted Pro Forma -----
Revenues:			
Product sales	\$ 755	\$ (384)(a)	\$ 371
License fees	600	--	600
Research and development revenues	1,096	--	1,096
	-----	-----	-----
Total revenues	2,451	(384)	2,067
	-----	-----	-----
Operating costs and expenses			
Cost of product sales	1,004	(582)(a)	422
Research and development	3,808	(221)(a)	3,587
Selling, general and administrative	3,288	(920)(a)	2,368
	-----	-----	-----
Total operating costs and expenses	8,100	(1,723)	6,377
	-----	-----	-----
Operating (loss)	(5,649)	(1,339)	(4,310)
Interest income	1,548	(1)(a)	1,547
Interest expense	(99)	40 (a)	(59)
	-----	-----	-----
Net (loss)	\$(4,200)	\$(1,378)	\$(2,822)
	=====	=====	=====
Net (loss) per share	\$ (0.55)		\$ (0.37)
	=====		=====
Shares used in calculating per share information	7,699		7,699
	=====		=====

See accompanying notes.

LANDEC CORPORATION  
NOTES TO UNAUDITED PRO FORMA CONDENSED  
CONSOLIDATED STATEMENT OF OPERATIONS  
October 31, 1996

The unaudited pro forma condensed combined statement of operations information has been prepared by reflecting the historical consolidated statement of operations of Landec for the fiscal year ended October 31, 1996 and gives effect to the pro forma adjustments as described in the notes below.

(a) The pro forma adjustment represents the operating activity for the QuickCast line of business.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

LANDEC CORPORATION  
Registrant

Date: November 11, 1997

By: /s/ Joy T. Fry  
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Joy T. Fry  
Vice President of Finance and  
Administration and Chief Financial  
Officer