Exhibit S

HELICOS BIOSCIENCES CORP (HLCS)

ONE KENDALL SQUARE
BUILDING 200
CAMBRIDGE, MA 02139
617−649−0540

10−K

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

Form 10−K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2010

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

COMMISSION FILE NUMBER 001−33484

HELICOS BIOSCIENCES CORPORATION

(Exact name of registrant as specified in its charter)

DELAWARE (State or other jurisdiction of incorporation or organization)	**05−0587367** (I.R.S. Employer Identification No.)
One Kendall Square Building 200 Cambridge, Massachusetts (Address of principal executive offices)	**02139** (Zip Code)

Registrant's telephone number, including area code: **(617) 264−1800**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Name of each exchange on which registered**
Common Stock, $0.001 par value	OTC Bulletin Board

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well−known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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 the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S−T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S−K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10−K or any amendment to this Form 10−K. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non−accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b−2 of the Exchange Act. (Check one):

Large accelerated filer ☐	Accelerated filer ☐	Non−accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b−2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of the registrant's Common Stock held beneficially or of record by stockholders who are not affiliates of the registrant, based upon the closing price of the Common Stock on June 30, 2010, as reported by the NASDAQ Global Market, was approximately $13,900,000. For the purposes hereof, "affiliates" include all executive officers and directors of the registrant.

As of March 24, 2011, the Company had 87,624,912 shares of Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

None

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RESEARCH AND DEVELOPMENT

We advanced the development of our True Single Molecule Sequencing (tSMS)™ technology since we began operations in 2003. In 2004, we began to produce sequence data from single molecules of DNA and in 2005, we sequenced genomic DNA from a small virus called M13 using our tSMS technology. Also in 2005, we began to design the Helicos® Genetic Analysis System. In 2006, we received a $2 million grant from the National Human Genome Research Institute and completed the design of the critical components of the Helicos System. In 2007, we substantially finished the assembly of five commercial grade Helicos Systems and began shipping our Helicos Systems to initial customers in 2008. Our initial shipment to our first customer, Expression Analysis, Inc. ("EA"), was made on March 5, 2008. This system was an early version and did not consistently achieve our commercial specification levels at EA and, as a result, on January 27, 2009, we agreed to have EA return the Helicos System that was installed at EA. Following EA's return of this system, our commercial relationship with EA was suspended. EA did not make any payments for this Helicos System that was ultimately returned.

In 2008, we introduced a second generation Virtual Terminator™ Nucleotides with improved performance and shelf−life and second generation image analysis software with improved performance. During 2010, we invested in limited research and development activities to maintain the performance of our Helicos System and develop new applications with the existing system. The pace of these research and development activities was significantly curtailed during 2010, as demonstrated by the decline in our spending rate from approximately $4 million in the three month period ended March 31, 2010 to approximately $1 million in the three month period ended December 31, 2010. Going forward, we do not plan to allocate a significant amount of resources to research and development activities beyond activities related to grant−funded initiatives and the development of assays to support our limited efforts in molecular diagnostics.

In the years ended December 31, 2008, 2009, and 2010 we incurred $24.6 million, $18.3 million and $14.0 million respectively, of research and development expenses.

MANUFACTURING AND RAW MATERIALS

We have manufactured our products using a combination of outsourced components and subassemblies. In addition to our in−house production capability, we have utilized subcontractors for parts of the manufacturing process where we have determined it is in our best interest to do so. As a result of our efforts to reposition the Company in the genetic analysis markets, we do not plan to allocate substantial resources to increasing our manufacturing process capability or capacity, and may choose to outsource the manufacturing and repair and maintenance of our instrument and consumables entirely.

MARKETING, SALES, SERVICE AND SUPPORT

As a result of our limited resources, we have significantly curtailed our sales, marketing and service efforts. We are nevertheless continuing our business development activities to identify and pursue partnership opportunities in the molecular diagnostics market. We expect that any revenues in the foreseeable future will be derived primarily from conducting research under grants that have been awarded to us, the sale of sequencing services to research institutions in the academic, clinical, governmental, pharmaceutical, biotechnology and agriculture biology segments, and from the sale of consumables to our installed base of customers. To date, we have instruments in operation at several research institutions including two academic centers, a genome center, a cancer center and two commercial locations. As of the date of this filing, we do not foresee commencing any efforts to sell new instruments.