

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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 6, 2013

PROPHASE LABS, INC.
(Exact name of Company as specified in its charter)

Nevada
(State or other
jurisdiction of incorporation)

0-21617
(Commission
File Number)

23-2577138
(I.R.S. Employer
Identification No.)

621 N. Shady Retreat Road
Doylestown, PA
(Address of principal executive offices)

18901
(Zip Code)

Company's telephone number, including area code: **(215) 345-0919**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Company under any of the following provisions (see General Instruction A.2. below):

- 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 6, 2013, ProPhase Labs, Inc. issued a press release announcing its financial results for the three months ended March 31, 2013. A copy of the press release is furnished as Exhibit 99.1 to this Form 8-K.

The information in this report, including Exhibit 99.1, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be incorporated by reference in any registration statement filed under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated by reference therein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>No.</u>	<u>Description</u>
99.1	Press Release dated May 6, 2013

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.

ProPhase Labs, Inc.

By: /s/ Robert V. Cuddihy, Jr.
Robert V. Cuddihy, Jr.
Chief Operating Officer and Chief Financial Officer

Date: May 6, 2013

EXHIBIT INDEX

<u>No.</u>	<u>Description</u>
99.1	Press Release dated May 6, 2013



**ProPhase Labs Reports Financial Results
for the First Quarter Ended March 31, 2013**

DOYLESTOWN, Pennsylvania – May 6, 2013. **ProPhase Labs, Inc.** (*NASDAQ: PRPH*, www.ProPhaseLabs.com) today reported a net sales increase of 25.3% to \$7.5 million for the three months ended March 31, 2013 as compared to net sales of \$6.0 million for the three months ended March 31, 2012.

The Company realized net income for the three months ended March 31, 2013, of \$290,000, or \$0.02 per share, compared to a net loss of \$688,000, or (\$0.05) per share, for the three months ended March 31, 2012. The improved financial results for the three months ended March 31, 2013 as compared to three months ended March 31, 2012 was due principally to increased revenues while the Company maintained comparable operating expenses from period to period.

Ted Karkus, ProPhase Labs' Chairman and CEO stated, "Much like in 2012, our goal going forward is to introduce new Cold-EEZE[®] branded products which efficiently leverage our marketing dollars and leverage our strengthening distribution platform. As previously articulated, our next generation of Cold-EEZE[®] products (which we expect to be on shelves in the fall of 2013) will not be new flavors of lozenges but rather Cold-EEZE[®] products in new delivery forms that shorten the duration of the common cold as well as provide additional health benefits. As evidenced in our most recent financial results, we continue to make excellent progress toward our long term strategy of increasing the value of the Cold-EEZE Cold Remedy brand and the value of our Company to the benefit of all shareholders."

About ProPhase Labs

ProPhase Labs is a diversified natural health medical science company. It is a leading marketer of the Cold-EEZE[®] Cold Remedy brand as well as other cold relief products. Cold-EEZE[®] zinc gluconate lozenges are clinically proven to significantly reduce the severity and duration of the common cold. Cold-EEZE[®] customers include leading national retailers, chain food, drug and mass merchandise stores, wholesalers and distributors, as well as independent pharmacies. ProPhase Labs has several wholly owned subsidiaries including a manufacturing unit, which consists of an FDA registered facility to manufacture Cold-EEZE[®] lozenges and fulfill other contract manufacturing opportunities. ProPhase also owns 50% of Phusion Laboratories, LLC ("Phusion"). Phusion licenses a revolutionary proprietary technology that has the potential to improve the delivery and/or efficacy of many active ingredients or compounds. Phusion will formulate and test products to exploit market opportunities within ProPhase's robust over-the-counter distribution channels. For more information visit us at www.ProPhaseLabs.com.

Except for the historical information contained herein, this document contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements involve a number of risks and uncertainties, including the difficulty of the acceptance and demand for our products, the impact of competitive products and pricing, the timely development and launch of new products, and the risk factors listed from time to time in our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and any subsequent SEC filings.

Press Only Contact

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Investor Contact

Ted Karkus, Chairman and CEO
ProPhase Labs, Inc.
(215) 345-0919 x 0

PROPHASE LABS, INC. & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share amounts)
(unaudited)

	Three Months Ended March 31,	
	2013	2012
Net sales	\$ 7,542	\$ 6,018
Cost of sales	2,203	1,678
Gross profit	<u>5,339</u>	<u>4,340</u>
Operating expenses:		
Sales and marketing	3,363	3,177
Administrative	1,498	1,492
Research and development	188	361
	<u>5,049</u>	<u>5,030</u>
Income (loss) from operations	290	(690)
Interest and other income	-	2
Income (loss) before income taxes	<u>290</u>	<u>(688)</u>
Income tax (benefit)	-	-
Net Income (loss)	<u>\$ 290</u>	<u>\$ (688)</u>
Basic income (loss) per share:		
Net income (loss)	<u>\$ 0.02</u>	<u>\$ (0.05)</u>
Diluted income (loss) per share:		
Net income (loss)	<u>\$ 0.02</u>	<u>\$ (0.05)</u>
Weighted average common shares outstanding:		
Basic	<u>15,752</u>	<u>14,796</u>
Diluted	<u>16,199</u>	<u>14,796</u>

PROPHASE LABS, INC. & SUBSIDIARIES
CONSOLIDATED BALANCE SHEET DATA
(in thousands)
(unaudited)

	March 31, <u>2013</u>	December 31, <u>2012</u>
Cash and cash equivalents	\$ 4,536	\$ 572
Accounts receivable	\$ 3,080	\$ 5,409
Inventory	\$ 2,147	\$ 2,051
Total current assets	\$ 10,251	\$ 10,719
Total assets	\$ 16,139	\$ 16,661
Total current liabilities	\$ 3,864	\$ 4,910
Other long term obligations	\$ 300	\$ 300
Total stockholders' equity	\$ 11,975	\$ 11,451
