

CIRRUS LOGIC INC
Form 10-Q
February 01, 2017

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 December 24, 2016

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 0-17795

CIRRUS LOGIC, INC.

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of incorporation or
organization)

800 W. 6th Street,
Austin, TX 78701

77-0024818
(I.R.S. Employer Identification
No.)

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(Address of principal executive
offices)

Registrant's telephone number, including area code: (512) 851-4000

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 whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer 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 number of shares of the registrant's common stock, \$0.001 par value, outstanding as of January 27, 2017 was 64,231,952.

CIRRUS LOGIC, INC.

FORM 10-Q QUARTERLY REPORT

QUARTERLY PERIOD ENDED DECEMBER 24, 2016

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Part I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CIRRUS LOGIC, INC.
 CONSOLIDATED CONDENSED BALANCE SHEETS
 (in thousands)

	December 24, 2016 (unaudited)	March 26, 2016
Assets		
Current assets:		
Cash and cash equivalents	\$ 310,375	\$ 168,793
Marketable securities	72,342	60,582
Accounts receivable, net	246,630	88,532
Inventories	154,128	142,015
Prepaid assets	24,223	29,924
Other current assets	17,524	16,283
Total current assets	825,222	506,129
Long-term marketable securities	-	20,631
Property and equipment, net	167,933	162,656
Intangibles, net	144,005	162,832
Goodwill	287,518	287,518
Deferred tax assets	34,737	25,772
Other assets	13,990	16,345
Total assets	\$ 1,473,405	\$ 1,181,883
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 154,930	\$ 71,619
Accrued salaries and benefits	33,122	21,239
Software license agreements	12,310	20,308
Other accrued liabilities	12,377	14,958
Total current liabilities	212,739	128,124
Long-term liabilities:		
Debt	100,000	160,439
Software license agreements	3,131	8,136
Other long-term liabilities	53,500	25,701
Total long-term liabilities	156,631	194,276

Stockholders' equity:		
Capital stock	1,247,191	1,203,496
Accumulated deficit	(141,027)	(344,345)
Accumulated other comprehensive (loss) income	(2,129)	332
Total stockholders' equity	1,104,035	859,483
Total liabilities and stockholders' equity	\$ 1,473,405	\$ 1,181,883

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

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CIRRUS LOGIC, INC.
CONSOLIDATED CONDENSED STATEMENTS OF INCOME
(in thousands, except per share amounts; unaudited)

	Three Months Ended		Nine Months Ended	
	December 24, 2016	December 26, 2015	December 24, 2016	December 26, 2015
Net sales	\$ 523,029	\$ 347,863	\$ 1,211,076	\$ 937,252
Cost of sales	267,877	182,952	617,540	497,666
Gross profit	255,152	164,911	593,536	439,586
Operating expenses				
Research and development	76,079	70,290	225,686	203,383
Selling, general and administrative	32,884	30,632	95,513	89,854
Patent agreement and other	-	78	-	(11,670)
Total operating expenses	108,963	101,000	321,199	281,567
Income from operations	146,189	63,911	272,337	158,019
Interest income	415	165	978	634
Interest expense	(765)	(863)	(3,020)	(2,786)
Other expense	(47)	(818)	(161)	