

CIRRUS LOGIC INC
Form 10-Q
November 01, 2018

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 29, 2018
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 77-0024818

(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

800 W. 6th Street, Austin, TX 78701

(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 website, 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, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer <input type="checkbox"/>	Accelerated filer <input type="checkbox"/>	Non-accelerated filer <input type="checkbox"/>	Smaller reporting company <input type="checkbox"/>	Emerging growth company <input type="checkbox"/>
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(Do not check if a smaller reporting company)

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards pursuant to Section 13(a) of the Exchange Act.

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 October 26, 2018 was 59,844,299.

CIRRUS LOGIC, INC.
FORM 10-Q QUARTERLY REPORT
QUARTERLY PERIOD ENDED SEPTEMBER 29, 2018
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Part I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CIRRUS LOGIC, INC.

CONSOLIDATED CONDENSED BALANCE SHEETS

(in thousands)

	September 29, 2018 (unaudited)	March 31, 2018
Assets		
Current assets:		
Cash and cash equivalents	\$ 195,857	\$ 235,604
Marketable securities	48,701	26,397
Accounts receivable, net	206,789	100,801
Inventories	142,315	205,760
Prepaid assets	31,627	31,235
Other current assets	17,283	13,877
Total current assets	642,572	613,674
Long-term marketable securities	151,207	172,499
Property and equipment, net	193,218	191,154
Intangibles, net	86,769	111,547
Goodwill	287,368	288,718
Deferred tax assets	13,733	14,716
Other assets	29,527	37,809
Total assets	\$ 1,404,394	\$ 1,430,117
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 88,473	\$ 69,850
Accrued salaries and benefits	30,154	35,721
Software license agreements	19,905	21,981
Other accrued liabilities	17,370	12,657
Total current liabilities	155,902	140,209
Long-term liabilities:		
Software license agreements	19,453	27,765
Non-current income taxes	79,127	92,753
Other long-term liabilities	6,937	7,662
Total long-term liabilities	105,517	128,180
Stockholders' equity:		
Capital stock	1,338,586	1,312,434
Accumulated deficit	(182,453)	(139,345)
Accumulated other comprehensive loss	(13,158)	(11,361)
Total stockholders' equity	1,142,975	1,161,728
Total liabilities and stockholders' equity	\$ 1,404,394	\$ 1,430,117

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

CIRRUS LOGIC, INC.

CONSOLIDATED CONDENSED STATEMENTS OF INCOME

(in thousands, except per share amounts; unaudited)

	Three Months Ended		Six Months Ended	
	September	September	September	September
	29,	23,	29,	23,
	2018	2017	2018	2017
Net sales	\$366,305	\$425,537	\$620,788	\$746,272
Cost of sales	181,186	214,255	311,110	373,274
Gross profit	185,119	211,282	309,678	372,998
Operating expenses				
Research and development	96,381	90,353	194,313	173,910
Selling, general and administrative	33,160	30,041	65,944	60,900
Total operating expenses	129,541	120,394	260,257	234,810
Income from operations				