

SEMTECH CORP  
Form 10-Q  
December 07, 2012

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

FORM 10-Q

(Mark One)

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934  
For the quarterly period ended October 28, 2012

or  
 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 1-6395

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

Delaware  
(State or other jurisdiction of  
incorporation or organization)

95-2119684  
(I.R.S. Employer  
Identification No.)

200 Flynn Road, Camarillo, California, 93012-8790  
(Address of principal executive offices, Zip Code)

Registrant's telephone number, including area code: (805) 498-2111

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 the 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  (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

Number of shares of Common Stock, \$0.01 par value per share, outstanding at November 30, 2012: 66,213,397



SEMTECH CORPORATION  
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FOR THE QUARTER ENDED OCTOBER 28, 2012

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## PART I - FINANCIAL INFORMATION

## ITEM 1. Financial Statements

SEMTECH CORPORATION AND SUBSIDIARIES  
 UNAUDITED CONSOLIDATED CONDENSED STATEMENTS OF INCOME  
 (in thousands, except per share data)

	Three Months Ended		Nine Months Ended	
	October 28, 2012	October 30, 2011	October 28, 2012	October 30, 2011
Net sales	\$160,878	\$123,944	\$428,224	\$376,569
Cost of sales	64,085	50,537	201,569	150,588
Gross profit	96,793	73,407	226,655	225,981
Operating costs and expenses:				
Selling, general and administrative	35,646	25,110	111,684	74,296
Product development and engineering	33,354	20,489	90,050	61,242
Intangible amortization and impairments	8,212	4,573	21,767	8,778
Total operating costs and expenses	77,212	50,172	223,501	144,316
Operating income	19,581	23,235	3,154	81,665
Interest expense	(4,172)	) —	(10,208)	) —
Interest income and other (expense) income, net	(1,071)	) 729	(696)	) 172
Income (loss) before taxes	14,338	) 23,964	(7,750)	) 81,837
(Benefit) provision for taxes	(2,252)	) (3,015)	) (36,571)	) 5,138
Net income	\$16,590	\$26,979	\$28,821	\$76,699
Earnings per share:				
Basic	\$0.25	\$0.41	\$0.44	\$1.18
Diluted	\$0.25	\$0.40	\$0.43	\$1.14
Weighted average number of shares used in computing earnings per share:				
Basic	65,996	65,440	65,622	65,180
Diluted	67,465	67,314	67,306	67,539

See accompanying notes. The accompanying notes are an integral part of these statements.

SEMTECH CORPORATION AND SUBSIDIARIES  
 UNAUDITED CONSOLIDATED CONDENSED STATEMENTS OF  
 COMPREHENSIVE INCOME

(in thousands)

	Three Months Ended		Nine Months Ended	
	October 28, 2012	October 30, 2011	October 28, 2012	October 30, 2011
Net income	\$16,590	\$26,979	\$28,821	\$76,699
Other comprehensive (loss) income, before tax:				
Change in unrealized holding loss on available-for-sale investments	(4	) (82	) (37	) (212
Change in unrealized loss on interest rate cap	(194	) —	(499	) —
Change in cumulative translation adjustment	84	(2	) 203	(2
Other comprehensive loss, before tax	(114	) (84	) (333	) (214
Benefit for taxes related to items of other comprehensive (loss) income	72	19	189	48
Other comprehensive loss, net of tax	(42	) (65	) (144	) (166
Total comprehensive income, net of tax	\$16,548	\$26,914	\$28,677	\$76,533

See accompanying notes. The accompanying notes are an integral part of these statements.

SEMTECH CORPORATION AND SUBSIDIARIES  
CONSOLIDATED CONDENSED BALANCE SHEETS  
(in thousands, except share data)

October 28,  
2012