

MAXIM INTEGRATED PRODUCTS INC
Form 10-Q
November 02, 2010

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 September 25, 2010
- 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 1-34192

MAXIM INTEGRATED PRODUCTS, INC.
(Exact name of Registrant as Specified in its Charter)
Delaware
(State or Other Jurisdiction of Incorporation or Organization)

94-2896096
(I.R.S. Employer I. D. No.)

120 San Gabriel Drive
Sunnyvale, California 94086
(Address of Principal Executive Offices including Zip Code)

(408) 737-7600
(Registrant's Telephone Number, Including Area Code)

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 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. (Check one):

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
(Check one):
YES NO

As of October 26, 2010 there were 296,060,745 shares of Common Stock, par value \$.001 per share, of the registrant outstanding.

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Part I. FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited)

MAXIM INTEGRATED PRODUCTS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	September 25, 2010 (in thousands)	June 26, 2010
ASSETS		
Current assets:		
Cash and cash equivalents	\$718,280	\$826,512
Accounts receivable, net	331,347	339,322
Inventories	204,207	206,040
Deferred tax assets	121,034	217,017
Income tax refund receivable	40,578	83,813
Other current assets	46,235	33,909
Total current assets	1,461,681	1,706,613
Property, plant and equipment, net	1,323,192	1,324,436
Intangible assets, net	240,815	194,728
Goodwill	249,447	226,223
Other assets	29,968	30,325
TOTAL ASSETS	\$3,305,103	\$3,482,325
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$120,345	\$107,797
Income taxes payable	11,991	13,053
Accrued salary and related expenses	144,195	175,858
Accrued expenses	47,943	37,030
Deferred income on shipments to distributors	32,286	25,779
Accrual for litigation settlement	—	173,000
Total current liabilities	356,760	532,517
Other liabilities	24,845	27,926
Income taxes payable	133,626	132,400
Deferred tax liabilities	147,952	136,524
Long term debt	300,000	300,000
Total liabilities	963,183	1,129,367
Commitments and contingencies (Note 11)		
Stockholders' equity:		
Common stock and capital in excess of par value	297	301
Retained earnings	2,355,323	2,364,598
Accumulated other comprehensive loss	(13,700)	(11,941)
Total stockholders' equity	2,341,920	2,352,958
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	\$3,305,103	\$3,482,325

See accompanying Notes to Condensed Consolidated Financial Statements.

MAXIM INTEGRATED PRODUCTS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	Three Months Ended	
	September 25, 2010	September 26, 2009
	(Amounts in thousands, except per share data)	
Net revenues	\$626,139	\$449,246
Cost of goods sold (1)	239,925	197,619
Gross margin	386,214	251,627
Operating expenses:		
Research and development (1)	127,779	116,343
Selling, general and administrative (1)	72,100	53,496
Intangible asset amortization	6,013	1,844
Impairment of long-lived assets	—	8,291
Severance and restructuring expenses (recoveries)	1,166	(1,561)
Other operating expenses (income), net	33	(16,885)
Total operating expenses	207,091	161,528
Operating income	179,123	90,099
Interest and other (expense) income, net	(3,676)) 1,901
Income before provision for income taxes	175,447	92,000
Provision for income taxes	57,897	50,048
Net income	\$117,550	\$41,952
Earnings per share:		
Basic	\$0.39	\$0.14
Diluted	\$0.39	\$0.13
Shares used in the calculation of earnings per share:		
Basic	298,216	306,276
Diluted	301,688	