

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): **July 9, 2013**

ADTRAN, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State of Incorporation)

0-24612

(Commission file number)

63-0918200

*(I.R.S. Employer
Identification Number)*

901 Explorer Boulevard, Huntsville, Alabama 35806-2807
(Address of principal executive offices, including zip code)

(256) 963-8000

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant 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 July 9, 2013, ADTRAN, Inc. announced its financial results for the fiscal quarter ended June 30, 2013 and certain other information.

ADTRAN also announced that its Board of Directors declared a quarterly cash dividend of \$0.09 per common share to be paid to holders of record at the close of business on July 25, 2013. The ex-dividend date is July 23, 2013 and the payment date is August 8, 2013.

A copy of ADTRAN's press release announcing such financial results and other information is attached as Exhibit 99.1 hereto and incorporated by reference herein.

In addition, ADTRAN has posted supplemental information regarding revenues by product category, subcategory and segment for the fiscal quarter ended June 30, 2013 on the Investor Relations page of its website, www.adtran.com. A copy of the supplemental information is attached as Exhibit 99.2 hereto and incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

The following exhibits are furnished as part of this Current Report on Form 8-K.

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release dated July 9, 2013
99.2	Revenues by product and segment classification

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on July 10, 2013.

ADTRAN, Inc.
(Registrant)

By: /s/ James E. Matthews
James E. Matthews
Senior Vice President – Finance,
Chief Financial Officer, Treasurer,
Secretary and Director
(Principal Accounting Officer)

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release dated July 9, 2013
99.2	Revenues by product and segment classification

ADTRAN, Inc. Reports Results for the Second Quarter 2013 and Declares Quarterly Cash Dividend

HUNTSVILLE, Ala.--(BUSINESS WIRE)--July 9, 2013--ADTRAN, Inc. (NASDAQ:ADTN) reported results for the second quarter 2013. For the quarter, sales were \$162,233,000 compared to \$183,998,000 for the second quarter of 2012. Net income was \$9,859,000 for the quarter compared to \$21,070,000 for the second quarter of 2012. Earnings per share, assuming dilution, were \$0.17 for the quarter compared to \$0.33 for the second quarter of 2012. Non-GAAP earnings per share for the quarter were \$0.21 compared to \$0.38 for the second quarter of 2012. The reconciliation between GAAP earnings per share, diluted, and non-GAAP earnings per share, diluted, is in the table provided.

ADTRAN Chief Executive Officer Tom Stanton stated, "Continuing improvement in our Internetworking and Broadband Access product areas led revenues which exceeded estimates for the quarter. During the quarter we benefited from market share gains, the geographic expansion we began last year and an improved spending environment."

The Company also announced that its Board of Directors declared a cash dividend for the second quarter of 2013. The quarterly cash dividend is \$0.09 per common share to be paid to holders of record at the close of business on July 25, 2013. The ex-dividend date is July 23, 2013 and the payment date is August 8, 2013.

The Company confirmed that its second quarter conference call will be held Wednesday, July 10, 2013 at 9:30 a.m. Central Time. This conference call will be web cast live through StreetEvents.com. To listen, simply visit the Investor Relations site at www.adtran.com or www.streetevents.com approximately 10 minutes prior to the start of the call and click on the conference call link provided.

An online replay of the conference call will be available for seven days at www.streetevents.com. In addition, an online replay of the conference call, as well as the text of the Company's earnings release, will be available on the Investor Relations site at www.adtran.com for at least 12 months following the call.

ADTRAN, Inc. is a leading global provider of networking and communications equipment. ADTRAN's products enable voice, data, video and Internet communications across a variety of network infrastructures. ADTRAN solutions are currently in use by service providers, private enterprises, government organizations, and millions of individual users worldwide. For more information, please visit www.adtran.com.

For more information, contact the company at 800 9ADTRAN (800 923-8726) or via email at info@adtran.com. On the Web, visit www.adtran.com.

This press release contains forward-looking statements which reflect management's best judgment based on factors currently known. However, these statements involve risks and uncertainties, including the successful development and market acceptance of new products, the degree of competition in the market for such products, the product and channel mix, component costs, manufacturing efficiencies, and other risks detailed in our annual report on Form 10-K for the year ended December 31, 2012 and on Form 10-Q for the quarter ended March 31, 2013. These risks and uncertainties could cause actual results to differ materially from those in the forward-looking statements included in this press release.

Condensed Consolidated Balance Sheet
(Unaudited)
(In thousands)

	June 30, 2013	December 31, 2012
Assets		
Cash and cash equivalents	\$ 37,559	\$ 68,457
Short-term investments	152,581	160,481
Accounts receivable, net	103,516	81,194
Other receivables	18,820	16,253
Inventory	87,773	102,583
Prepaid expenses	4,926	4,148
Deferred tax assets, net	13,114	13,055
Total Current Assets	418,289	446,171
Property, plant and equipment, net	77,670	80,246
Deferred tax assets, net	12,171	10,261
Goodwill	3,492	3,492
Other assets	12,046	13,482
Long-term investments	292,660	332,729
Total Assets	\$ 816,328	\$ 886,381
Liabilities and Stockholders' Equity		
Accounts payable	\$ 62,097	\$ 42,173
Unearned revenue	25,808	38,051
Accrued expenses	12,020	10,309
Accrued wages and benefits	14,093	15,022
Income tax payable, net	2,317	1,211
Total Current Liabilities	116,335	106,766
Non-current unearned revenue	25,266	23,803
Other non-current liabilities	19,042	17,406
Bonds payable	46,000	46,000
Total Liabilities	206,643	193,975
Stockholders' Equity	609,685	692,406
Total Liabilities and Stockholders' Equity	\$ 816,328	\$ 886,381

Consolidated Statements of Income
(Unaudited)
(In thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Sales	\$ 162,233	\$ 183,998	\$ 305,246	\$ 318,733
Cost of sales	82,435	88,797	155,771	149,445
Gross Profit	79,798	95,201	149,475	169,288
Selling, general and administrative expenses	32,685	35,905	63,288	69,017
Research and development expenses	33,060	32,458	65,571	57,252
Operating Income	14,053	26,838	20,616	43,019
Interest and dividend income	1,674	1,926	3,442	3,787
Interest expense	(575)	(581)	(1,156)	(1,168)
Net realized investment gain	1,553	2,356	5,198	4,823
Other income (expense), net	129	492	(1,543)	633
Gain on bargain purchase of a business	-	1,753	-	1,753
Income before provision for income taxes	16,834	32,784	26,557	52,847
Provision for income taxes	(6,975)	(11,714)	(8,808)	(18,816)
Net Income	\$ 9,859	\$ 21,070	\$ 17,749	\$ 34,031
Weighted average shares outstanding - basic	59,056	63,619	60,443	63,720
Weighted average shares outstanding - diluted ⁽¹⁾	59,311	64,393	60,660	64,628
Earnings per common share - basic	\$ 0.17	\$ 0.33	\$ 0.29	\$ 0.53
Earnings per common share - diluted ⁽¹⁾	\$ 0.17	\$ 0.33	\$ 0.29	\$ 0.53

⁽¹⁾ Assumes exercise of dilutive stock options calculated under the treasury stock method.

Consolidated Statements of Comprehensive Income
(Unaudited)
(In thousands)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2013	2012	2013	2012
Net Income	\$ 9,859	\$ 21,070	\$ 17,749	\$ 34,031
Other Comprehensive Income (Loss), net of tax:				
Unrealized gains (losses) on available-for-sale securities	(1,698)	(5,235)	(3,342)	1,522
Foreign currency translation	(1,713)	(96)	(1,390)	58
Other Comprehensive Income (Loss), net of tax	(3,411)	(5,331)	(4,732)	1,580
Comprehensive Income (Loss), net of tax	\$ 6,448	\$ 15,739	\$ 13,017	\$ 35,611

Consolidated Statements of Cash Flows
(Unaudited)
(In thousands)

	Six Months Ended	
	June 30,	
	2013	2012
Cash flows from operating activities:		
Net income	\$ 17,749	\$ 34,031
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	7,373	6,615
Amortization of net premium on available-for-sale investments	3,315	4,330
Net realized gain on long-term investments	(5,198)	(4,823)
Net (gain) loss on disposal of property, plant and equipment	17	(204)
Gain on bargain purchase of a business	-	(1,753)
Stock-based compensation expense	4,340	4,432
Deferred income taxes	150	(2,427)
Tax benefit from stock option exercises	21	1,701
Excess tax benefits from stock-based compensation arrangements	(21)	(1,346)
Change in operating assets and liabilities:		
Accounts receivable, net	(23,018)	(43,062)
Other receivables	(2,727)	1,997
Inventory	13,336	5,548
Prepaid expenses and other assets	(665)	(1,527)
Accounts payable	20,252	12,877
Accrued expenses and other liabilities	(6,587)	13,099
Income tax payable, net	1,094	7,508
Net cash provided by operating activities	29,431	36,996
Cash flows from investing activities:		
Purchases of property, plant and equipment	(3,667)	(7,787)
Proceeds from disposals of property, plant and equipment	-	266
Proceeds from sales and maturities of available-for-sale investments	224,163	138,307
Purchases of available-for-sale investments	(179,730)	(161,849)
Acquisition of business	-	7,496
Net cash provided by (used in) investing activities	40,766	(23,567)
Cash flows from financing activities:		
Proceeds from stock option exercises	819	4,328
Purchases of treasury stock	(89,917)	(13,432)
Dividend payments	(10,982)	(11,476)
Excess tax benefits from stock-based compensation arrangements	21	1,346
Net cash used in financing activities	(100,059)	(19,234)
Net decrease in cash and cash equivalents	(29,862)	(5,805)
Effect of exchange rate changes	(1,036)	(206)
Cash and cash equivalents, beginning of period	68,457	42,979
Cash and cash equivalents, end of period	\$ 37,559	\$ 36,968

Supplemental Information
Acquisition Related Expenses, Amortizations and Adjustments
(Unaudited)
(In thousands)

On August 4, 2011, we closed on the acquisition of Bluesocket, Inc. and on May 4, 2012, we closed on the acquisition of the Nokia Siemens Networks Broadband Access business (NSN BBA). Acquisition related expenses, amortizations and adjustments for the three and six months ended June 30, 2013 and 2012 for both transactions are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
<i>Bluesocket, Inc. acquisition</i>				
Amortization of acquired intangible assets and other purchase accounting adjustments	\$ 287	\$ 378	\$ 580	\$ 862
<i>NSN BBA acquisition</i>				
Amortization of acquired intangible assets	288	172	582	172
Amortization of other purchase accounting adjustments	342	1,052	752	1,052
Acquisition related professional fees, travel and other expenses	82	2,705	236	4,285
Subtotal	712	3,929	1,570	5,509
Total acquisition related expenses, amortizations and adjustments	999	4,307	2,150	6,371
Provision for income taxes	(333)	(1,361)	(713)	(2,039)
Total acquisition related expenses, amortizations and adjustments, net of tax	\$ 666	\$ 2,946	\$ 1,437	\$ 4,332

The acquisition related expenses, amortizations and adjustments above were recorded in the following Consolidated Statements of Income categories for the three and six months ended June 30, 2013 and 2012:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Revenue (adjustments to deferred revenue recognized in the period)	\$ 235	\$ 508	\$ 497	\$ 654
Cost of goods sold	64	669	151	806
Subtotal	299	1,177	648	1,460
Selling, general and administrative expenses	113	2,361	274	3,922
Research and development expenses	587	769	1,228	989
Subtotal	700	3,130	1,502	4,911
Total acquisition related expenses, amortizations and adjustments	999	4,307	2,150	6,371
Provision for income taxes	(333)	(1,361)	(713)	(2,039)
Total acquisition related expenses, amortizations and adjustments, net of tax	\$ 666	\$ 2,946	\$ 1,437	\$ 4,332

Supplemental Information
Stock-based Compensation Expense
(Unaudited)
(In thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Stock-based compensation expense included in cost of sales	\$ 110	\$ 97	\$ 216	\$ 198
Selling, general and administrative expense	1,042	1,047	2,105	2,098
Research and development expense	956	1,067	2,019	2,136
Stock-based compensation expense included in operating expenses	1,998	2,114	4,124	4,234
Total stock-based compensation expense	2,108	2,211	4,340	4,432
Tax benefit for expense associated with non-qualified options	(310)	(302)	(617)	(603)
Total stock-based compensation expense, net of tax	\$ 1,798	\$ 1,909	\$ 3,723	\$ 3,829

**Reconciliation of GAAP net income per share, diluted, to
Non-GAAP net income per share, diluted
(Unaudited)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
GAAP earnings per common share – diluted	\$ 0.17	\$ 0.33	\$ 0.29	\$ 0.53
Acquisition related expenses, amortizations and adjustments	0.01	0.05	0.02	0.07
Stock-based compensation expense	0.03	0.03	0.06	0.06
Gain on bargain purchase of business	-	(0.03)	-	(0.03)
Non-GAAP earnings per common share – diluted	\$ 0.21	\$ 0.38	\$ 0.37	\$ 0.63

CONTACT:

ADTRAN, Inc.

Jim Matthews, Senior Vice President/CFO, 256-963-8775

or

Investor Services/Assistance:

Gayle Ellis, 256-963-8220

Product and Segment Revenues
(Unaudited)
(In thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
Product Revenues:				
Carrier Systems	\$ 105,537	\$ 126,755	\$ 198,341	\$ 198,013
Business Networking	45,379	36,590	83,455	79,732
Loop Access	11,317	20,653	23,450	40,988
Total	\$ 162,233	\$ 183,998	\$ 305,246	\$ 318,733
Subcategories included in the above:				
Broadband Access (included in Carrier Systems)	\$ 81,628	\$ 106,042	\$ 153,862	\$ 155,524
Optical (included in Carrier Systems)	15,986	14,003	24,860	28,258
Internetworking (Netvanta & Multi-service Access Gateways) (included in Business Networking)	43,922	34,935	80,834	75,909
Total Core Products	141,536	154,980	259,556	259,691
Percentage of Total Revenue	87%	84%	85%	81%
HDSL (does not include T1) (included in Loop Access)	10,289	19,465	21,696	38,424
Other Products (excluding HDSL)	10,408	9,553	23,994	20,618
Total Legacy Products	20,697	29,018	45,690	59,042
Percentage of Total Revenue	13%	16%	15%	19%
Total	\$ 162,233	\$ 183,998	\$ 305,246	\$ 318,733
Segment Revenues:				
Carrier Networks	\$ 123,333	\$ 152,707	\$ 233,220	\$ 249,361
Enterprise Networks	38,900	31,291	72,026	69,372
Total	\$ 162,233	\$ 183,998	\$ 305,246	\$ 318,733
Sales by Geographic Region:				
United States	\$ 127,487	\$ 130,389	\$ 235,593	\$ 246,832
International	34,746	53,609	69,653	71,901
Total	\$ 162,233	\$ 183,998	\$ 305,246	\$ 318,733