

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): **April 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 April 9, 2013, ADTRAN, Inc. announced its financial results for the fiscal quarter ended March 31, 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 April 25, 2013. The ex-dividend date is April 23, 2013 and the payment date is May 9, 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 March 31, 2013 on the Investor Relations page of its website, [www.adtran.com](http://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 April 9, 2013
99.2	Revenues by product and segment classification

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## 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 April 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)

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## EXHIBIT INDEX

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

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

HUNTSVILLE, Ala.--(BUSINESS WIRE)--April 9, 2013--ADTRAN, Inc. (NASDAQ:ADTN) reported results for the first quarter 2013. For the quarter, sales were \$143,013,000 compared to \$134,735,000 for the first quarter of 2012. Net income was \$7,890,000 for the quarter compared to \$12,960,000 for the first quarter of 2012. Earnings per share, assuming dilution, were \$0.13 for the quarter compared to \$0.20 for the first quarter of 2012. Non-GAAP earnings per share for the quarter were \$0.17 compared to \$0.25 for the first 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, "Operating results for the quarter came in as expected with our domestic carrier business continuing to solidify and our overall revenue positively impacted by sequential growth internationally and in our Enterprise business. We believe our company is well positioned for an improving spending environment in our markets and strategic investments by our carrier customers."

The Company also announced that its Board of Directors declared a cash dividend for the first 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 April 25, 2013. The ex-dividend date is April 23, 2013 and the payment date is May 9, 2013.

Non-GAAP earnings per share exclude the effect of acquisition related expenses, amortizations and adjustments, and stock compensation expense.

The Company confirmed that its first quarter conference call will be held Wednesday, April 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 <http://www.adtran.com> or <http://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 <http://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 <http://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](http://www.adtran.com).

For more information, contact the company at 800 9ADTRAN (800 923-8726) or via email at [info@adtran.com](mailto:info@adtran.com). On the Web, visit [www.adtran.com](http://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. These risks and uncertainties could cause actual results to differ materially from those in the forward-looking statements included in this press release.

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Condensed Consolidated Balance Sheet  
(Unaudited)  
(In thousands)

	March 31, 2013	December 31, 2012
<b>Assets</b>		
Cash and cash equivalents	\$ 58,640	\$ 68,457
Short-term investments	189,236	160,481
Accounts receivable, net	82,102	81,194
Other receivables	16,164	16,253
Inventory	95,767	102,583
Prepaid expenses	4,419	4,148
Deferred tax assets, net	12,972	13,055
<b>Total Current Assets</b>	<b>459,300</b>	<b>446,171</b>
Property, plant and equipment, net	77,781	80,246
Deferred tax assets, net	10,680	10,261
Goodwill	3,492	3,492
Other assets	12,599	13,482
Long-term investments	310,484	332,729
<b>Total Assets</b>	<b>\$ 874,336</b>	<b>\$ 886,381</b>
<b>Liabilities and Stockholders' Equity</b>		
Accounts payable	\$ 48,933	\$ 42,173
Unearned revenue	33,563	38,051
Accrued expenses	11,117	10,309
Accrued wages and benefits	16,479	15,022
Income tax payable, net	1,585	1,211
<b>Total Current Liabilities</b>	<b>111,677</b>	<b>106,766</b>
Non-current unearned revenue	24,990	23,803
Other non-current liabilities	18,541	17,406
Bonds payable	46,000	46,000
<b>Total Liabilities</b>	<b>201,208</b>	<b>193,975</b>
<b>Stockholders' Equity</b>	<b>673,128</b>	<b>692,406</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 874,336</b>	<b>\$ 886,381</b>

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

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2013</b>	<b>2012</b>
Sales	\$ 143,013	\$ 134,735
Cost of sales	73,336	60,648
<b>Gross Profit</b>	<b>69,677</b>	<b>74,087</b>
Selling, general and administrative expenses	30,603	33,111
Research and development expenses	32,511	24,795
<b>Operating Income</b>	<b>6,563</b>	<b>16,181</b>
Interest and dividend income	1,768	1,861
Interest expense	(581)	(588)
Net realized investment gain	3,645	2,467
Other income (expense), net	(1,672)	141
<b>Income before provision for income taxes</b>	<b>9,723</b>	<b>20,062</b>
Provision for income taxes	(1,833)	(7,102)
<b>Net Income</b>	<b>\$ 7,890</b>	<b>\$ 12,960</b>
Weighted average shares outstanding - basic	61,847	63,809
Weighted average shares outstanding - diluted <sup>(1)</sup>	62,030	64,849
Earnings per common share - basic	\$ 0.13	\$ 0.20
Earnings per common share - diluted <sup>(1)</sup>	\$ 0.13	\$ 0.20

<sup>(1)</sup> Assumes exercise of dilutive stock options calculated under the treasury stock method.

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

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2013</b>	<b>2012</b>
Net Income	\$ 7,890	\$ 12,960
<b>Other Comprehensive Income (Loss), net of tax:</b>		
Unrealized gains (losses) on available-for-sale securities	(1,644)	6,757
Foreign currency translation	323	153
<b>Other Comprehensive Income (Loss), net of tax</b>	<b>(1,321)</b>	<b>6,910</b>
<b>Comprehensive Income, net of tax</b>	<b>\$ 6,569</b>	<b>\$ 19,870</b>



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

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2013</b>	<b>2012</b>
<b>Cash flows from operating activities:</b>		
Net income	\$ 7,890	\$ 12,960
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	3,663	3,095
Amortization of net premium on available-for-sale investments	1,754	2,171
Net realized gain on long-term investments	(3,645)	(2,467)
Net (gain) loss on disposal of property, plant and equipment	17	(214)
Stock-based compensation expense	2,232	2,221
Deferred income taxes	715	(2,030)
Tax benefit from stock option exercises	-	1,492
Excess tax benefits from stock-based compensation arrangements	-	(1,153)
Change in operating assets and liabilities:		
Accounts receivable, net	(1,306)	1,334
Other receivables	(224)	1,706
Inventory	6,540	(8,005)
Prepaid expenses and other assets	(217)	(710)
Accounts payable	7,262	1,831
Accrued expenses and other liabilities	1,188	5,287
Income tax payable, net	379	7,017
<b>Net cash provided by operating activities</b>	<b>26,248</b>	<b>24,535</b>
<b>Cash flows from investing activities:</b>		
Purchases of property, plant and equipment	(735)	(4,086)
Proceeds from disposals of property, plant and equipment	-	266
Proceeds from sales and maturities of available-for-sale investments	118,133	69,364
Purchases of available-for-sale investments	(125,411)	(95,646)
<b>Net cash used in investing activities</b>	<b>(8,013)</b>	<b>(30,102)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from stock option exercises	55	3,560
Purchases of treasury stock	(22,546)	-
Dividend payments	(5,586)	(5,739)
Excess tax benefits from stock-based compensation arrangements	-	1,153
<b>Net cash used in financing activities</b>	<b>(28,077)</b>	<b>(1,026)</b>
Net decrease in cash and cash equivalents	(9,842)	(6,593)
Effect of exchange rate changes	25	153
<b>Cash and cash equivalents, beginning of period</b>	<b>68,457</b>	<b>42,979</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 58,640</b>	<b>\$ 36,539</b>

**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 months ended March 31, 2013 and 2012 for both transactions are as follows:

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2013</b>	<b>2012</b>
<i>Bluesocket, Inc. acquisition</i>		
Amortization of acquired intangible assets and other purchase accounting adjustments	\$ 293	\$ 484
<i>NSN BBA acquisition</i>		
Amortization of acquired intangible assets	294	-
Amortization of other purchase accounting adjustments	410	-
Acquisition related professional fees, travel and other expenses	154	1,580
<b>Subtotal</b>	<b>858</b>	<b>1,580</b>
<b>Total acquisition related expenses, amortizations and adjustments</b>	<b>1,151</b>	<b>2,064</b>
Tax effect	(380)	(803)
<b>Total acquisition related expenses, amortizations and adjustments, net of tax</b>	<b>\$ 771</b>	<b>\$ 1,261</b>

The acquisition related expenses, amortizations and adjustments above were recorded in the following Consolidated Statements of Income categories for the three months ended March 31, 2013 and 2012:

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2013</b>	<b>2012</b>
Revenue (adjustments to deferred revenue recognized in the period)	\$ 262	\$ 146
Cost of goods sold	87	137
<b>Subtotal</b>	<b>349</b>	<b>283</b>
Selling, general and administrative expenses	161	1,561
Research and development expenses	641	220
<b>Subtotal</b>	<b>802</b>	<b>1,781</b>
<b>Total acquisition related expenses, amortizations and adjustments</b>	<b>1,151</b>	<b>2,064</b>
Tax effect	(380)	(803)
<b>Total acquisition related expenses, amortizations and adjustments, net of tax</b>	<b>\$ 771</b>	<b>\$ 1,261</b>

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

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2013</b>	<b>2012</b>
<b>Stock-based compensation expense included in cost of sales</b>	<b>\$ 106</b>	<b>\$ 101</b>
Selling, general and administrative expense	1,063	1,051
Research and development expense	1,063	1,069
<b>Stock-based compensation expense included in operating expenses</b>	<b>2,126</b>	<b>2,120</b>
<b>Total stock-based compensation expense</b>	<b>2,232</b>	<b>2,221</b>
Tax benefit for expense associated with non-qualified options	(307)	(301)
<b>Total stock-based compensation expense, net of tax</b>	<b>\$ 1,925</b>	<b>\$ 1,920</b>

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

	<b>Three Months Ended March 31,</b>	
	<b>2013</b>	<b>2012</b>
<b>GAAP earnings per common share – diluted</b>	<b>\$ 0.13</b>	<b>\$ 0.20</b>
Acquisition related expenses, amortizations and adjustments	0.01	0.02
Stock-based compensation expense	0.03	0.03
<b>Non-GAAP earnings per common share – diluted</b>	<b>\$ 0.17</b>	<b>\$ 0.25</b>

CONTACT:  
ADTRAN, Inc.  
Jim Matthews, 256-963-8775  
Senior Vice President/CFO  
or  
Investor Services/Assistance:  
Gayle Ellis, 256-963-8220

**Product and Segment Revenues**  
**(Unaudited)**  
**(In thousands)**

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2013</b>	<b>2012</b>
	<u>2013</u>	<u>2012</u>
<b>Product Revenues:</b>		
Carrier Systems	\$ 92,804	\$ 71,258
Business Networking	38,076	43,142
Loop Access	12,133	20,335
<b>Total</b>	<b>\$ 143,013</b>	<b>\$ 134,735</b>
<b>Subcategories included in the above:</b>		
Broadband Access (included in Carrier Systems)	\$ 72,234	\$ 49,482
Optical Access (included in Carrier Systems)	8,874	14,255
Internetworking (Netvanta & Multi-service Access Gateways) (included in Business Networking)	36,912	40,974
<b>Total Core Products</b>	<b>118,020</b>	<b>104,711</b>
<b>Percentage of Total Revenue</b>	<b>83%</b>	<b>78%</b>
HDSL (does not include T1) (included in Loop Access)	11,407	18,959
Other Products (excluding HDSL)	13,586	11,065
<b>Total Legacy Products</b>	<b>24,993</b>	<b>30,024</b>
<b>Percentage of Total Revenue</b>	<b>17%</b>	<b>22%</b>
<b>Total</b>	<b>\$ 143,013</b>	<b>\$ 134,735</b>
<b>Segment Revenues:</b>		
Carrier Networks	\$ 109,887	\$ 96,654
Enterprise Networks	33,126	38,081
<b>Total</b>	<b>\$ 143,013</b>	<b>\$ 134,735</b>
<b>Sales by Geographic Region:</b>		
United States	\$ 108,106	\$ 116,443
International	34,907	18,292
<b>Total</b>	<b>\$ 143,013</b>	<b>\$ 134,735</b>