
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 15, 2003

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)

Item 7. Financial Statements and Exhibits

(c) Exhibits.

The following exhibit is filed as part of this Current Report on Form 8-K.

| <u>Exhibit Number</u> | <u>Description</u> |
|-----------------------|------------------------------------|
| 99.1 | Press Release dated April 15, 2003 |

Item 9. Regulation FD Disclosure (furnished pursuant to Item 12 “Results of Operations and Financial Condition”)

On April 15, ADTRAN Inc. announced its financial results for the fiscal quarter ended March 31, 2003 and certain other information. 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.

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 15, 2003.

ADTRAN, Inc.
(Registrant)

By: /s/ James E. Matthews

James E. Matthews
Senior Vice President – Finance,
Chief Financial Officer and Treasurer

EXHIBIT INDEX

| <u>Exhibit Number</u> | <u>Description</u> |
|-----------------------|------------------------------------|
| 99.1 | Press Release dated April 15, 2003 |

ADTRAN, INC.
REPORTS FIRST QUARTER 2003 RESULTS

HUNTSVILLE, Ala., April 15, 2003—ADTRAN, Inc. (NASDAQ:ADTN) reported results for the first quarter ended March 31, 2003. Sales were \$86,223,000 for the quarter compared to \$83,342,000 for the first quarter of 2002.

Net income increased 143% to \$10,539,000 for the quarter compared to \$4,341,000 for the first quarter of 2002. Earnings per share, assuming dilution, were \$0.27 for the quarter compared to \$0.11 for the first quarter of 2002. Gross margins were 54.6% for the quarter compared to 47.2% in the first quarter of 2002. Net cash provided by operating activities totaled \$12 million for the quarter. Cash and marketable securities, net of debt, totaled \$286 million at quarter-end.

ADTRAN Chairman and Chief Executive Officer Mark Smith stated, “Our increase in revenue over the prior year’s first quarter was the result of new product sales and market share expansion of existing products. Access routers, DSLAMS and optical access products broaden our product portfolio. This commitment to new product development augmented by our financial strength and strong operating model continues to strengthen our competitive posture, particularly during a very difficult market environment. Continued concerns over geopolitical proceedings and the economy may persist to dampen customer spending decisions; however, we remain confident of continued market share gains in current and new markets during this time of uncertainty, and beyond.”

There will be a conference call today at 10:30 a.m. Eastern Time to discuss our first quarter 2003 financial results. To listen to the webcast of this conference call, visit our Investor Relations page at <http://www.adtran.com> approximately 10 minutes before the start of the call and click on the conference call link provided. As indicated in our press release of April 7, 2003, an online replay of the webcast of the conference call, as well as the text of this release, will also be available on the Investor Relations page of our website at <http://www.adtran.com> for at least 12 months following the date of this release.

ADTRAN, Inc. is an established supplier of advanced transmission products that provide users access to today’s expansive telecommunications networks. Widely deployed in carrier, enterprise and global networks worldwide, ADTRAN products support all major digital access technologies. ADTRAN equipment is widely deployed by major Incumbent Local Exchange Carriers, Inter-exchange Carriers, ISPs, Competitive Service Providers, international service providers, public and private enterprises, and original equipment manufacturers.

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, 2002. Such risks and uncertainties could cause actual results to differ materially from those in the forward-looking statements included in this press release.

Condensed Balance Sheet
March 31, 2003
Unaudited
(Dollars in thousands)

| | March 31, 2003 |
|---|-------------------|
| Assets | |
| Cash and cash equivalents | \$ 138,678 |
| Short-term investments | \$ 39,566 |
| Accounts receivable (net) | \$ 49,232 |
| Other receivables | \$ 4,252 |
| Inventory, net | \$ 37,382 |
| Prepaid expenses and other current assets | \$ 6,414 |
| Total current assets | \$ 275,524 |
| Equipment (net) | \$ 31,765 |
| Land | \$ 4,263 |
| Bldg. & land improvements (net) | \$ 67,224 |
| Other assets | \$ 486 |
| Deferred tax assets | \$ 4,836 |
| Long-term investments | \$ 158,865 |
| Total Assets | \$ 542,963 |
| Liabilities and stockholders' equity | |
| Accounts payable | \$ 19,949 |
| Accrued wages and benefits | \$ 8,514 |
| Accrued income taxes | \$ 6,133 |
| Accrued liabilities | \$ 2,274 |
| Total current liabilities | \$ 36,870 |
| Deferred tax liabilities | \$ 5,146 |
| Long term debt | \$ 50,000 |
| Total long term liabilities | \$ 55,146 |
| Total Liabilities | \$ 92,016 |
| Stockholders' equity | \$ 450,947 |
| Total liabilities and stockholders' equity | \$ 542,963 |

Condensed Statements of Income
For the periods ending 3/31/03 and 3/31/02
(Dollars in thousands, except per share data)

| | <u>First Quarter 2003</u> | <u>First Quarter 2002</u> |
|--|-------------------------------|-------------------------------|
| Sales | \$ 86,223 | \$ 83,342 |
| Cost of sales | 39,149 | 43,983 |
| Gross profit | 47,074 | 39,359 |
| Selling, general and administrative expenses | 20,152 | 20,790 |
| Research and development expenses | 14,271 | 13,834 |
| Profit from operations | 12,651 | 4,735 |
| Interest expense | (660) | (690) |
| Other income (primarily interest) | 2,854 | 1,984 |
| Income before income taxes | 14,845 | 6,029 |
| Provision for income taxes | (4,306) | (1,688) |
| Net income | \$ 10,539 | \$ 4,341 |
| Weighted average shares outstanding assuming dilution (1) | 38,961,790 | 38,760,293 |
| Earnings per common share—assuming dilution (1) | \$ 0.2705 | \$ 0.1120 |
| Earnings per common share | \$ 0.2803 | \$ 0.1126 |

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

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