

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 14, 2009**

**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 14, 2009, ADTRAN, Inc. announced its financial results for the fiscal quarter ended March 31, 2009 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 30, 2009. The ex-dividend date is April 28, 2009 and the payment date is May 14, 2009.

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, 2009 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.**

(c) 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 14, 2009.
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 14, 2009.

**ADTRAN, Inc.**  
**(Registrant)**

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

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## EXHIBIT INDEX

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## ADTRAN, Inc. Reports Results for First Quarter 2009 and Declares Quarterly Cash Dividend

HUNTSVILLE, Ala.--(BUSINESS WIRE)--April 14, 2009--ADTRAN, Inc. (NASDAQ:ADTN) reported results for the first quarter of 2009. Sales were \$110,364,000 for the quarter, compared to \$119,885,000 for the first quarter of 2008. Net income was \$15,184,000 for the quarter, compared to \$17,047,000 for the first quarter of 2008. Earnings per share, assuming dilution, were \$0.24 for the quarter, compared to \$0.26 for the first quarter of 2008.

ADTRAN Chief Executive Officer Tom Stanton stated, "Our results for the quarter reflect improved operating efficiencies as gross margins achieved another record high and total operating expenses decreased. Most notable during the quarter was the acceleration of our Fiber-to-the-Node business in the U.S. Our ongoing advancements in strategic areas and improvements in operating efficiencies leave our company poised for revenue and earnings growth when conditions improve."

The Company also reported that during the first quarter of 2009 net realized investment losses of \$3.2 million were recorded primarily relating to other than temporary impairments in marketable securities as a result of declines in equity securities markets that continued in the first quarter. Tax effected, this reduced diluted earnings per share by \$0.03 for the quarter.

The Company also reported that stock-based compensation expense for the first quarter of 2009 reduced diluted earnings per share by \$0.03 compared to \$0.03 for the first quarter of 2008.

Additionally, during the first quarter of 2009, the Company completed a review of its estimated tax deductions for years 2005, 2006 and 2007 relating to Section 199 of the Internal Revenue code concerning domestic content of products the Company manufactures. This review resulted in a \$1.7 million benefit being recorded in the first quarter of 2009, reducing the Company's income tax provision for the quarter.

The Company also announced that its Board of Directors declared a cash dividend for the first quarter of 2009. The quarterly cash dividend is \$0.09 per common share to be paid to holders of record at the close of business on April 30, 2009. The ex-dividend date is April 28, 2009 and the payment date is May 14, 2009.

The Company also confirmed that its first quarter conference call will be held Wednesday, April 15, 2009 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://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://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, with a portfolio of more than 1,700 solutions for use in the last mile of today's telecommunications networks. Widely deployed by carriers and enterprises alike, ADTRAN solutions enable voice, data, video, and Internet communications across copper, fiber, and wireless network infrastructures. ADTRAN solutions are currently in use by every major U.S. service provider and many global ones, as well as by thousands of public, private and governmental organizations worldwide.

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, 2008. 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 Balance Sheet**  
**Unaudited**  
(In thousands)

	March 31, 2009	December 31, 2008
<b>Assets</b>		
Cash and cash equivalents	\$ 54,013	\$ 41,909
Short-term investments	77,932	96,277
Accounts receivable, net	56,835	52,749
Other receivables	3,251	2,896
Inventory	49,691	47,406
Prepaid expenses	2,667	2,974
Deferred tax assets, net	8,596	8,653
<b>Total current assets</b>	<b>252,985</b>	<b>252,864</b>
Property, plant and equipment, net	75,335	75,487
Deferred tax assets, net	4,449	3,920
Other assets	97	103
Long-term investments	162,087	141,241
<b>Total assets</b>	<b>\$ 494,953</b>	<b>\$ 473,615</b>
<b>Liabilities and Stockholders' Equity</b>		
Accounts payable	\$ 23,236	\$ 20,313
Unearned revenue	6,433	6,141
Accrued expenses	3,934	3,536
Accrued wages and benefits	8,290	9,868
Income tax payable, net	6,514	266
<b>Total current liabilities</b>	<b>48,407</b>	<b>40,124</b>
Other non-current liabilities	10,281	9,422
Bonds payable	48,250	48,250
<b>Total liabilities</b>	<b>106,938</b>	<b>97,796</b>
<b>Stockholders' equity</b>	<b>388,015</b>	<b>375,819</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 494,953</b>	<b>\$ 473,615</b>

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

	<b>Three Months Ended</b>		<b>Three Months Ended</b>	
	<b>March 31, 2009</b>		<b>March 31, 2008</b>	
Sales	\$	110,364	\$	119,885
Cost of sales		42,904		49,645
Gross profit		67,460		70,240
Selling, general and administrative expenses		23,697		25,547
Research and development expenses		20,862		19,553
Operating income		22,901		25,140
Interest and dividend income		1,638		2,283
Interest expense		(603)		(619)
Net realized investment loss		(3,198)		(89)
Other income (expense), net		(135)		127
Income before provision for income taxes		20,603		26,842
Provision for income taxes		(5,419)		(9,795)
Net income	\$	15,184	\$	17,047
Weighted average shares outstanding				
Basic		62,123		64,598
Diluted (1)		62,586		65,452
Earnings per common share				
Basic	\$	0.24	\$	0.26
Diluted (1)	\$	0.24	\$	0.26

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

**Supplemental Information**  
**Stock Based Compensation Expense**  
**(In thousands)**

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2009</b>	<b>2008</b>
<b>Stock-based compensation expense included in cost of sales</b>	<b>\$ 71</b>	<b>\$ 79</b>
Selling, general and administrative expense	828	954
Research and development expense	920	1,006
<b>Stock-based compensation expense included in operating expenses</b>	<b>1,748</b>	<b>1,960</b>
<b>Total stock-based compensation expense</b>	<b>1,819</b>	<b>2,039</b>
Tax benefit for expense associated with non-qualified options	(185)	(208)
<b>Total stock-based compensation expense, net of tax</b>	<b>\$ 1,634</b>	<b>\$ 1,831</b>

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**Consolidated Statements of Cash Flow**  
**For the Three Months ended March 31,**  
**Unaudited**  
**(In thousands)**

	<b>2009</b>	<b>2008</b>
<b>Cash flows from operating activities:</b>		
Net income	\$ 15,184	\$ 17,047
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,507	2,392
Amortization of net premium on available-for-sale investments	803	372
Net realized loss on long-term investments	3,198	89
Loss (gain) on disposal of property, plant and equipment	1	(1)
Stock-based compensation expense	1,819	2,039
Deferred income taxes	(1,765)	(1,046)
Tax benefit from stock option exercises	(41)	119
Excess tax benefits from stock-based compensation arrangements	37	(36)
Change in operating assets and liabilities:		
Accounts receivable, net	(4,086)	(127)
Other receivables	(355)	(98)
Inventory	(2,285)	1,101
Prepaid expenses and other assets	313	(314)
Accounts payable	2,923	3,357
Accrued expenses and other liabilities	(33)	(1,271)
Income tax payable, net	6,248	10,490
<b>Net cash provided by operating activities</b>	<b>24,468</b>	<b>34,113</b>
<b>Cash flows from investing activities:</b>		
Purchases of property, plant and equipment	(2,356)	(1,904)
Proceeds from sales and maturities of available-for-sale investments	63,741	73,768
Purchases of available-for-sale investments	(66,772)	(61,089)
<b>Net cash (used in) provided by investing activities</b>	<b>(5,387)</b>	<b>10,775</b>
<b>Cash flows from financing activities:</b>		
Proceeds from stock option exercises	49	630
Purchases of treasury stock	(1,430)	(14,871)
Dividend payments	(5,568)	(5,846)
Excess tax benefits from stock-based compensation arrangements	(37)	36
<b>Net cash used in financing activities</b>	<b>(6,986)</b>	<b>(20,051)</b>
Net increase in cash and cash equivalents	12,095	24,837
Effect of exchange rate changes	9	307
<b>Cash and cash equivalents, beginning of period</b>	41,909	13,941
<b>Cash and cash equivalents, end of period</b>	<b>\$ 54,013</b>	<b>\$ 39,085</b>

**CONTACT:**

ADTRAN, Inc.

Jim Matthews, 256-963-8775

Senior Vice President/CFO

or

**INVESTOR SERVICES/ASSISTANCE:**

Gayle Ellis, 256-963-8220

**EXHIBIT 99.2****ADTRAN, INC.**  
(In thousands)**Product Revenues:**

Carrier Systems  
 Business Networking  
 Loop Access

	<u>Q1 2009</u>	<u>Q1 2008</u>
\$	42,729	\$ 51,202
	20,012	20,986
	47,623	47,697
<b>\$</b>	<b>110,364</b>	<b>\$ 119,885</b>

**Subcategories included in above:**

Broadband Access (included in Carrier Systems)  
 Optical Access (included in Carrier Systems)  
 Internetworking (Netvanta & Multi-service Access Gateways) (included in Business Networking)  
     Growth Products  
     Percentage of Total Revenue

\$	22,219	\$ 28,602
	10,652	11,166
	15,315	14,913
	48,186	54,681
	44%	46%

HDSL (does not include T1) (included in Loop Access)

Other products  
     Traditional Products  
     Percentage of Total Revenue

	42,921	41,950
	19,257	23,254
	62,178	65,204
	56%	54%

<b>\$</b>	<b>110,364</b>	<b>\$ 119,885</b>
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**Segment Revenues:**

Carrier Networks  
 Enterprise Networks

\$	87,084	\$ 94,472
	23,280	25,413
<b>\$</b>	<b>110,364</b>	<b>\$ 119,885</b>

**Sales by Geographic Region:**

United States  
 International

\$	103,418	\$ 113,439
	6,946	6,446
<b>\$</b>	<b>110,364</b>	<b>\$ 119,885</b>