

GSI TECHNOLOGY INC
Form 10-Q
February 03, 2012
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF
1934

For the quarterly period ended December 31, 2011

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 000-33387

GSI Technology, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or
organization)

77-0398779
(IRS Employer Identification No.)

1213 Elko Drive

Sunnyvale, California 94089
(Address of principal executive offices, zip code)

(408) 331-8800
(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 such 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 during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

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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 the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐

Accelerated filer ☒

Non-accelerated filer ☐

Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares of the registrant’s common stock outstanding as of January 31, 2012: 27,922,477

Table of Contents

GSI TECHNOLOGY, INC.

FORM 10-Q FOR THE QUARTERLY PERIOD ENDED DECEMBER 31, 2011

	Page
 <u>PART I — FINANCIAL INFORMATION</u>	
<u>Item 1.</u>	<u>Financial Statements</u>
	<u>1</u>
	<u>Condensed Consolidated Balance Sheets</u>
	<u>1</u>
	<u>Condensed Consolidated Statements of Operations</u>
	<u>2</u>
	<u>Condensed Consolidated Statements of Cash Flows</u>
	<u>3</u>
	<u>Notes to Condensed Consolidated Financial Statements</u>
	<u>4</u>
<u>Item 2.</u>	<u>Management’s Discussion and Analysis of Financial Condition and Results of</u>
	<u>Operations</u>
	<u>14</u>
<u>Item 3.</u>	<u>Quantitative and Qualitative Disclosures About Market Risk</u>
	<u>20</u>
<u>Item 4.</u>	<u>Controls and Procedures</u>
	<u>20</u>
 <u>PART II — OTHER INFORMATION</u>	
<u>Item 1.</u>	<u>Legal Proceedings</u>
	<u>21</u>
<u>Item 1A.</u>	<u>Risk Factors</u>
	<u>21</u>
<u>Item 2.</u>	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>
	<u>34</u>
<u>Item 6.</u>	<u>Exhibits</u>
	<u>35</u>
<u>Signatures</u>	<u>36</u>
<u>Exhibit Index</u>	<u>37</u>

Table of Contents

PART I — FINANCIAL INFORMATION

Item 1. Financial Statements

GSI TECHNOLOGY, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited)

	December 31, 2011	March 31, 2011
	(In thousands, except share and per share amounts)	
ASSETS		
Cash and cash equivalents	\$29,373	\$25,952
Short-term investments	22,579	26,033
Accounts receivable, net	8,313	15,042
Inventories	20,524	21,380
Prepaid expenses and other current assets	8,151	5,575
Deferred income taxes	1,472	1,729
Total current assets	90,412	95,711
Property and equipment, net	12,409	13,545
Long-term investments	37,590	30,938
Other assets	1,626	1,723
Total assets	\$142,037	\$141,917
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable	\$3,141	\$5,638
Accrued expenses and other liabilities	3,780	4,790
Deferred revenue	3,845	5,248
Total current liabilities	10,766	15,676
Income taxes payable	2,027	1,561
Total liabilities	12,793	17,237
Commitments and contingencies (Note 6)		
Stockholders' equity:		
Preferred stock: \$0.001 par value authorized: 5,000,000 shares; issued and outstanding: none	—	—
Common stock: \$0.001 par value authorized: 150,000,000 shares; issued and outstanding: 28,016,515 and 28,649,033 shares, respectively	28	29
Additional paid-in capital	55,721	57,063
Accumulated other comprehensive income	63	83
Retained earnings	73,432	67,505
Total stockholders' equity	129,244	124,680
Total liabilities and stockholders' equity	\$142,037	\$141,917

The accompanying notes are an integral part of these condensed consolidated financial statements.

Table of Contents

GSI TECHNOLOGY, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2011	2010	2011	2010
	(In thousands, except per share amounts)			
Net revenues	\$ 19,975	\$ 26,244	\$ 63,806	\$ 75,909
Cost of revenues	11,208	14,121	35,804	40,791
Gross profit	8,767	12,123	28,002	35,118
Operating expenses:				
Research and development	2,627	2,632	7,964	8,031
Selling, general and administrative	5,453	2,791	13,299	8,252
Total operating expenses	8,080	5,423	21,263	16,283
Income from operations	687	6,700	6,739	18,835
Interest income, net	139	170	409	524
Other income (expense), net	18	(218) (7) (308
Income before income taxes	844	6,652	7,141	19,051
Provision (benefit) for income taxes	(147) 814	1,214	3,587
Net income	\$ 991	\$ 5,838	\$ 5,927	\$ 15,464
Net income per share:				
Basic	\$ 0.03	\$ 0.21	\$ 0.21	\$ 0.56
Diluted	\$ 0.03			