

ALPHA & OMEGA SEMICONDUCTOR Ltd
Form 10-Q
May 07, 2015

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

FORM 10-Q

(MARK ONE)

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

For the quarterly period ended March 31, 2015

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 001-34717

Alpha and Omega Semiconductor Limited
(Exact name of Registrant as Specified in its Charter)

Bermuda
(State or Other Jurisdiction of Incorporation or Organization)

77-0553536
(I.R.S. Employer Identification Number)

Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda
(Address of Principal Registered Offices including Zip Code)

(408) 830-9742
(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 (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or smaller reporting company. See 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

(Do not check if a 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

Number of common shares outstanding as of April 30, 2015: 26,343,613.

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 Fiscal Third Quarter Ended March 31, 2015
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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

ALPHA AND OMEGA SEMICONDUCTOR LIMITED
CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited, in thousands except par value per share)

	March 31, 2015	June 30, 2014
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 112,931	\$ 117,788
Restricted cash	245	244
Accounts receivable, net	31,141	36,535
Inventories	66,311	66,560
Deferred income tax assets	2,931	2,842
Other current assets	3,433	3,810
Total current assets	216,992	227,779
Property, plant and equipment, net	115,817	123,254
Intangible assets, net	17	229
Goodwill	269	269
Deferred income tax assets - long term	10,938	10,854
Other long-term assets	3,281	1,963
Total assets	\$347,314	\$364,348
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Short term debt	\$6,429	\$13,821
Accounts payable	34,396	38,760
Accrued liabilities	17,675	17,376
Income taxes payable	1,821	1,933
Deferred margin	699	665
Capital leases	978	1,061
Total current liabilities	61,998	73,616
Income taxes payable - long term	1,622	2,315
Deferred income tax liabilities	3,551	3,234
Capital leases - long term	299	1,005
Other long term liabilities	1,004	1,143
Total liabilities	68,474	81,313
Commitments and contingencies (Note 9)		
Shareholders' equity:		
Preferred shares, par value \$0.002 per share:		
Authorized: 10,000 shares, issued and outstanding: none at March 31, 2015 and June 30, 2014	—	—
Common shares, par value \$0.002 per share:		
Authorized: 50,000 shares, issued and outstanding: 27,090 shares and 26,309 shares, respectively at March 31, 2015 and 26,644 shares and 26,304 shares, respectively at June 30, 2014	54	53
	(6,759) (2,889
)

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Treasury shares at cost, 781 shares at March 31, 2015 and 340 shares at June 30, 2014

Additional paid-in capital	178,820	174,084
Accumulated other comprehensive income	915	1,033
Retained earnings	105,810	110,754
Total shareholders' equity	278,840	283,035
Total liabilities and shareholders' equity	\$347,314	\$364,348

See accompanying notes to these condensed consolidated financial statements.

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ALPHA AND OMEGA SEMICONDUCTOR LIMITED
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
 (Unaudited, in thousands except per share data)

	Three Months Ended March 31,		Nine Months Ended March 31,		
	2015	2014	2015	2014	
Revenue	\$76,918	\$75,405	\$246,463	\$235,791	
Cost of goods sold	64,154	63,095	200,297	192,711	
Gross profit	12,764	12,310	46,166	43,080	
Operating expenses					
Research and development	6,929	5,977	20,155	17,796	
Selling, general and administrative	9,219	9,256	27,958	25,505	
Total operating expenses	16,148	15,233	48,113	43,301	
Operating loss	(3,384) (2,923) (1,947) (221)
Interest income and other, net	18	52	92	90	
Interest expense	(41) (62) (157) (210)
Loss before income taxes	(3,407) (2,933) (2,012) (341)
Income tax expense	698	361	2,826	2,486	
Net loss					