

ALTERA CORP
Form 10-Q
October 21, 2011
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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 September 30, 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 0-16617

ALTERA CORPORATION
(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)
101 INNOVATION DRIVE
SAN JOSE, CALIFORNIA 95134
(Address of principal executive offices) (zip code)
408-544-7000

77-0016691
(I.R.S. Employer
Identification Number)

(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

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

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

Number of shares of common stock outstanding at October 12, 2011: 320,863,017

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EX-101 Instance Document

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PART I FINANCIAL INFORMATION

ITEM 1: Financial Statements

ALTERA CORPORATION

CONSOLIDATED BALANCE SHEETS

(Unaudited)

(In thousands, except par value amount)	September 30, 2011	December 31, 2010
Assets		
Current assets:		
Cash and cash equivalents	\$3,177,314	\$2,765,196
Short-term investments	61,399	—
Total cash, cash equivalents, and short-term investments	3,238,713	2,765,196
Accounts receivable, net	386,842	363,614
Inventories	134,028	146,524
Deferred income taxes — current	80,478	66,839
Deferred compensation plan — marketable securities	50,809	54,419
Deferred compensation plan — restricted cash equivalents	18,157	19,817
Other current assets	60,151	114,601
Total current assets	3,969,178	3,531,010
Property and equipment, net	171,100	164,155
Long-term investments	66,780	—
Deferred income taxes — non-current	29,781	37,319
Other assets, net	34,971	27,353
Total assets	\$4,271,810	\$3,759,837
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$54,367	\$86,061
Accrued liabilities	23,053	23,278
Accrued compensation and related liabilities	79,617	83,773
Deferred compensation plan obligations	68,966	74,236
Deferred income and allowances on sales to distributors	439,826	428,711
Income taxes payable	1,592	428
Credit facility	500,000	—
Total current liabilities	1,167,421	696,487
Income taxes payable — non-current	260,790	231,833
Credit facility	—	500,000
Other non-current liabilities	8,831	7,865
Total liabilities	1,437,042	1,436,185
Commitments and contingencies (See “Note 11 — Commitments and Contingencies”)		
Stockholders' equity:		
Common stock: \$.001 par value; 1,000,000 shares authorized; outstanding - 320,855 shares at September 30, 2011 and 319,494 shares at December 31, 2010	321	319
Capital in excess of par value	1,011,865	908,989
Accumulated other comprehensive loss	(190) —
Retained earnings	1,822,772	1,414,344
Total stockholders' equity	2,834,768	2,323,652

Total liabilities and stockholders' equity	\$4,271,810	\$3,759,837
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See accompanying notes to consolidated financial statements.

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ALTERA CORPORATION
 CONSOLIDATED STATEMENTS OF INCOME
 (Unaudited)

(In thousands, except per share amounts)	Three Months Ended		Nine Months Ended	
	September 30, 2011	October 1, 2010	September 30, 2011	October 1, 2010
Net sales	\$522,474	\$527,453	\$1,606,671	\$1,399,048
Cost of sales	166,938	157,899	473,565	405,646
Gross margin	355,536	369,554	1,133,106	993,402
Research and development expense	80,771	67,896	235,438	197,861
Selling, general, and administrative expense	69,345			