Spansion Inc. Form 10-Q May 06, 2014
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 30, 2014
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 001-34747
SPANSION INC.

(Exact name of registrant as specified in its charter)

Delaware 20-3898239 (State or other jurisdiction of (I.R.S. Employer

incorporation or organization) Identification No.)

915 DeGuigne Drive

94085

Sunnyvale, California

(Address of principal executive offices) (Zip Code)

(408) 962-2500

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

Non-accelerated filer Smaller reporting company

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

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes No

As of May 1, 2014, the registrant had 60,371,219 shares of Class A Common Stock outstanding at \$0.001 par value per share.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Condensed Consolidated Statements of Operations

(in thousands, except per share amounts)

(Unaudited)

	Three Months Ended		
	March 30, 2014	March 31, 2013	
Net sales	\$311,750	\$189,572	
Cost of sales	221,918	-	
Gross profit	89,832		
Research and development		22,777	
Sales, general and administrative		28,483	
Operating loss	(9,361)	(5,405)	
Interest and other income (expense), net	(4,600)	962	
Interest expense	(6,087)	(7,604)	
Loss before income taxes	(20,048)	(12,047)	
Provision for income taxes	(2,447)	(2,388)	
Net loss	\$(22,495)	\$(14,435)	
Net loss per share:			
Basic	\$(0.38)	\$(0.25)	
Diluted	\$(0.38)	\$(0.25)	
Shares used in per share calculation:			
Basic	59,771	58,086	
Diluted	59,771	•	

See accompanying notes.

Condensed Consolidated Statement of Comprehensive Income (Loss)

(in thousands)

(Unaudited)

	Three Mo Ended March 30, 2014	March 31, 2013
Net loss	,	\$(14,435)
Other comprehensive income (loss), net of tax:	, , ,	, , ,
Net foreign currency translation adjustment	296	(1,055)
Unrealized gain on recovery from impaired investments reclassified into earnings	-	(1,200)
Net unrealized gain (loss) on cash flow hedges:		
Net unrealized hedge gain (loss) arising during the period	(4,714)	7,743
Net loss (gain) reclassified into earnings for cash flow hedges	1,382	(1,753)
Net unrealized gain (loss) on cash flow hedges	(3,332)	5,990
Other comprehensive income (loss), net of tax	(3,036)	3,735
Total comprehensive loss	\$(25,531)	\$