

CALIX, INC  
Form 10-Q  
July 29, 2015  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

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FORM 10-Q

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(Mark One)

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

For the quarterly period ended June 27, 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: 001-34674

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Calix, Inc.  
(Exact Name of Registrant as Specified in Its Charter)

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Delaware (State or Other Jurisdiction of Incorporation or Organization)	68-0438710 (I.R.S. Employer Identification No.)
1035 N. McDowell Blvd., Petaluma, CA 94954 (Address of Principal Executive Offices) (Zip Code)	
(707) 766-3000 (Registrant's Telephone Number, Including Area Code)	

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Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) 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 definition 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  (Do not check if a smaller reporting Company) 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:

As of July 20, 2015, there were 51,999,392 shares of the Registrant's common stock, par value \$0.025 outstanding.



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## PART I. FINANCIAL INFORMATION

## ITEM 1. Financial Statements

CALIX, INC.

## CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share data)

	June 27, 2015 (Unaudited)	December 31, 2014 (See Note 1)
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$39,672	\$48,829
Marketable securities	59,785	62,850
Restricted cash	—	295
Accounts receivable, net	41,985	30,744
Inventory	40,710	46,753
Deferred cost of revenue	1,284	5,080
Prepaid expenses and other current assets	11,457	12,936
Total current assets	194,893	207,487
Property and equipment, net	18,790	20,144
Goodwill	116,175	116,175
Intangible assets, net	15,899	25,179
Other assets	1,241	1,236
Total assets	\$346,998	\$370,221
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$18,538	\$23,629
Accrued liabilities	36,545	39,443
Deferred revenue	9,132	12,722
Total current liabilities	64,215	75,794
Long-term portion of deferred revenue	19,371	19,393
Other long-term liabilities	1,903	2,443
Total liabilities	85,489	97,630
Commitments and contingencies (See Note 7)		
Stockholders' equity:		
Preferred stock, \$0.025 par value; 5,000,000 shares authorized; no shares issued and outstanding as of June 27, 2015 and December 31, 2014	—	—
Common stock, \$0.025 par value; 100,000,000 shares authorized; 52,524,893 shares issued and 52,089,893 shares outstanding as of June 27, 2015, and 51,628,257 shares issued and outstanding as of December 31, 2014	1,313	1,291
Additional paid-in capital	811,737	801,810
Accumulated other comprehensive income	135	80
Accumulated deficit	(548,299)	(530,590)
Treasury stock, 435,000 shares as of June 27, 2015	(3,377)	—
Total stockholders' equity	261,509	272,591
Total liabilities and stockholders' equity	\$346,998	\$370,221

See accompanying notes to condensed consolidated financial statements.



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## CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(In thousands, except per share data)

(Unaudited)

	Three Months Ended		Six Months Ended	
	June 27, 2015	June 28, 2014	June 27, 2015	June 28, 2014
Revenue	\$99,129	\$98,005	\$190,167	\$183,825
Cost of revenue:				
Products and services <sup>(1)</sup>	48,752	51,575	95,212	98,381
Amortization of intangible assets	2,088	2,088	4,176	4,176
Total cost of revenue	50,840	53,663	99,388	102,557
Gross profit	48,289	44,342	90,779	81,268
Operating expenses:				
Research and development <sup>(1)</sup>	22,851			