

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

QLOGIC CORP

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Mailing Address
26650 ALISO VIEJO
PARKWAY
ALISO VIEJO CA 92656

Business Address
26650 ALISO VIEJO
PARKWAY
ALISO VIEJO CA 92656
(949) 389-6000

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

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): January 15, 2013

QLOGIC CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State of incorporation)

0-23298
(Commission File Number)

33-0537669
(IRS Employer Identification No.)

26650 Aliso Viejo Parkway, Aliso Viejo, California
(Address of principal executive offices)

92656
(Zip Code)

Registrant's telephone number, including area code: (949) 389-6000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition

On January 15, 2013, the Company reported preliminary financial results for its third fiscal quarter ended December 30, 2012. A copy of the press release issued by the Company concerning the foregoing results is furnished herewith as Exhibit 99.1 and is incorporated herein by reference.

The information contained herein and in the accompanying Exhibit 99.1 shall not be incorporated by reference into any filings of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except as shall be expressly set forth by specific reference in such filing. The information in this report, including Exhibit 99.1 hereto, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities under that section.

Discussion of Non-GAAP Financial Measure

In addition to the results presented on a generally accepted accounting principles (GAAP) basis in the press release included in Exhibit 99.1, the Company has also included a non-GAAP financial measure – non-GAAP income from continuing operations per diluted share.

The Company believes that this supplemental non-GAAP financial measure, when presented in conjunction with the corresponding GAAP financial measure, provides useful information to investors and management regarding financial and business trends relating to its results of operations. However, non-GAAP financial measures have certain limitations in that they do not reflect all of the costs associated with the operations of the Company’s business as determined in accordance with GAAP. Therefore, investors should consider non-GAAP financial measures in addition to, and not as a substitute for, or as superior to, measures of financial performance prepared in accordance with GAAP.

The Company has presented non-GAAP income from continuing operations per diluted share, on a basis consistent with its historical presentation, to assist investors in understanding the Company’s core income from continuing operations per diluted share on an on-going basis. This non-GAAP financial measure may also assist investors in making comparisons of the Company’s core profitability with historical periods. Although the non-GAAP financial measure presented by the Company may be different from the non-GAAP financial measures used by other companies, the Company believes that this non-GAAP financial measure may also assist investors in making comparisons of the Company’s core profitability with the corresponding results for its competitors. Management also believes that non-GAAP income from continuing operations per diluted share is an important measure in the evaluation of the Company’s profitability.

Management uses non-GAAP income from continuing operations per diluted share in its evaluation of the Company’s core after-tax results of operations and trends between fiscal periods and believes that this measure is an important component of its internal performance measurement process. In addition, the Company prepares and maintains its budgets and forecasts for future periods on a basis consistent with this non-GAAP financial measure. Management believes that providing this non-GAAP financial measure allows investors to view the Company’s financial results in the way that management views the financial results.

The Company excludes the following items from the non-GAAP financial measure presented:

Stock-based compensation. Stock-based compensation consists of expenses associated with stock options and restricted stock units granted by the Company and purchases of common stock under the Company's Employee Stock Purchase Plan. Stock-based compensation is a non-cash expense that varies in amount from period to period as a result of factors that are difficult to predict and are generally outside the control of the Company, such as the market price and associated volatility of the Company's common stock. Accordingly, management believes these expenses are not reflective of the Company's core operating expenses and excludes them when assessing its core operating results and from its internal budgets and forecasts.

Amortization of acquisition-related intangible assets. In connection with acquisitions, the Company records purchased intangible assets, which are amortized over their estimated useful lives. The amortization is a non-cash expense that is not considered by management when assessing the core operating results of the Company. The acquisition-related intangible assets and the related amortization can vary significantly based on the size and frequency of acquisitions.

Income tax effect. Income tax expense is adjusted by the amount of tax benefit or expense (including any valuation allowance related to deferred tax assets) that would result from the use of the non-GAAP results instead of the GAAP results when calculating the Company's tax expense. Management believes changes in valuation allowances related to the Company's deferred tax assets associated with non-core assets (i.e., investment securities) are unrelated to the Company's core business. Accordingly, management does not consider valuation allowances related to such deferred tax assets when assessing the core operating results of the Company.

Each of the foregoing items has been excluded from the non-GAAP financial measure presented by the Company. Management believes that such exclusion is appropriate since these items are not reflective of the Company's core operating activities and thus excludes them from their internal budgets and forecasts, as well as their assessment of core operating performance.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

99.1 Press Release*, dated January 15, 2013, reporting the preliminary results of QLogic Corporation for its third fiscal quarter ended December 30, 2012.

* The press release is being furnished pursuant to Item 9.01, and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

QLOGIC CORPORATION

January 15, 2013

/s/ Jean Hu

Jean Hu
Senior Vice President and
Chief Financial Officer

EXHIBIT INDEX

**Exhibit
Number**

Description of Document

99.1 Press Release, dated January 15, 2013, reporting the preliminary results of QLogic Corporation for its third fiscal quarter ended December 30, 2012.

Media Contact:

Steve Sturgeon
QLogic Corporation
858.472.5669
steve.sturgeon@qlogic.com

Investor Contact:

Jean Hu
QLogic Corporation
949.389.7579
jean.hu@qlogic.com

**QLogic Announces Preliminary Third Quarter Results
For Fiscal Year 2013**

Revenue and Earnings per Share Expected to Exceed Previous Forecast

ALISO VIEJO, Calif., January 15, 2013—QLogic Corp. (Nasdaq:QLGC), a leading supplier of high performance network infrastructure solutions, today announced preliminary results for its third quarter ended December 30, 2012.

QLogic expects to report net revenue of approximately \$119 million for the third quarter of fiscal 2013. The expected net revenue exceeds the high end of the previously forecasted third quarter net revenue range of \$112 million to \$118 million. The preliminary results were driven by higher than expected revenue from Host Products and particularly strong performance from Network Products.

The Company anticipates reporting GAAP income from continuing operations per diluted share for the third quarter of fiscal 2013 in the range of \$0.14 to \$0.15. On a non-GAAP basis, the Company expects to report income from continuing operations per diluted share in the range of \$0.19 to \$0.20, above the previously forecasted range of \$0.14 to \$0.19 per diluted share. The non-GAAP income from continuing operations per diluted share amount excludes stock-based compensation, acquisition-related charges, and the related income tax effects.

The Company will announce its third quarter financial results for fiscal year 2013 after the close of the market on Thursday, January 24, 2013. Following the January 24, 2013, press release, QLogic will conduct a conference call at 2:00 p.m. Pacific Time (5:00 p.m. Eastern Time). Simon Biddiscombe, president and chief executive officer, and Jean Hu, senior vice president and chief financial officer, will host the call, which will be webcast live at <http://ir.qlogic.com> and www.earnings.com. Phone access will be available at (877) 675-4750, pass code: 2146165. A replay of the conference call will be available via webcast at <http://ir.qlogic.com> for twelve months.

Non-GAAP Financial Measurements

QLogic uses certain non-GAAP financial measures to supplement financial statements based on GAAP. A summary of the non-GAAP financial measure presented herein and a reconciliation of this non-GAAP financial measure to the most directly comparable GAAP financial measure, as well as a description of the reasons that management believes that this non-GAAP financial measure provides useful information to investors and the additional purposes for which management uses this non-GAAP financial measure is presented in the accompanying financial schedule.

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QLogic - the Ultimate in Performance

QLogic (Nasdaq:QLGC) is a global leader and technology innovator in high performance networking, including adapters, switches and ASICs. Leading OEMs and channel partners worldwide rely on QLogic products for their data, storage and server networking solutions. For more information, visit www.qlogic.com.

Disclaimer - Forward-Looking Statements

This press release contains statements relating to future results of the company (including certain beliefs and projections regarding business and market trends and our anticipated net revenue and income from continuing operations per diluted share) that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected or implied in the forward-looking statements. The company advises readers that these potential risks and uncertainties include, but are not limited to: unfavorable economic conditions; potential fluctuations in operating results; gross margins that may vary over time; the stock price of the company may be volatile; the company's dependence on the networking markets served; the ability to maintain and gain market or industry acceptance of the company's products; the company's dependence on a small number of customers; the company's ability to compete effectively with other companies; the complexity of the company's products; declining average unit sales prices of comparable products; the company's dependence on sole source and limited source suppliers; the company's dependence on relationships with certain third-party subcontractors and contract manufacturers; the ability to attract and retain key personnel; sales fluctuations arising from customer transitions to new products; seasonal fluctuations and uneven sales patterns in orders from customers; a reduction in sales efforts by current distributors; changes in the company's tax provisions or adverse outcomes resulting from examination of its income tax returns; international economic, currency, regulatory, political and other risks; facilities of the company and its suppliers and customers are located in areas subject to natural disasters; the ability to protect proprietary rights; the ability to satisfactorily resolve any infringement claims; uncertain benefits from strategic business combinations, acquisitions and divestitures; declines in the market value of the company's marketable securities; changes in and compliance with regulations; difficulties in transitioning to smaller geometry process technologies; the use of "open source" software in the company's products; and security system risks, data protection breaches and cyber-attacks.

More detailed information on these and additional factors which could affect the company's operating and financial results are described in the company's Forms 10-K, 10-Q and other reports filed, or to be filed, with the Securities and Exchange Commission. The company urges all interested parties to read these reports to gain a better understanding of the business and other risks that the company faces. The forward-looking statements contained in this press release are made only as of the date hereof, and the company does not intend to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.

QLogic and the QLogic logo are registered trademarks of QLogic Corporation. Other trademarks and registered trademarks are the property of the companies with which they are associated.

QLOGIC CORPORATION

**RECONCILIATION OF GAAP INCOME FROM CONTINUING OPERATIONS PER DILUTED
SHARE PRELIMINARY RESULTS TO NON-GAAP INCOME FROM CONTINUING
OPERATIONS PER DILUTED SHARE PRELIMINARY RESULTS**

(unaudited)

	Three Months Ended December 30, 2012
GAAP income from continuing operations per diluted share preliminary results	\$0.14 - 0.15
Items excluded from GAAP income from continuing operations per diluted share, including stock-based compensation, acquisition-related charges, and the related income tax effects	0.05
Non-GAAP income from continuing operations per diluted share preliminary results	<u>\$0.19 - 0.20</u>

Non-GAAP Financial Measures

The non-GAAP financial measure contained herein is a supplement to the corresponding financial measure prepared in accordance with generally accepted accounting principles (GAAP). The non-GAAP financial measure presented excludes the items summarized in the above table. Management believes that adjustments for these items assist investors in making comparisons of period-to-period operating results and that these items are not indicative of the company's on-going core operating performance.

The company has presented non-GAAP income from continuing operations per diluted share, on a basis consistent with its historical presentation, to assist investors in understanding the company's core income from continuing operations per diluted share on an on-going basis. This non-GAAP financial measure may also assist investors in making comparisons of the company's core net profitability with historical periods and comparisons of the company's core net profitability with the corresponding results for competitors. Management believes that non-GAAP income from continuing operations per diluted share is an important measure in the evaluation of the company's profitability. This non-GAAP financial measure excludes the adjustments described in the above table, and thus provides an overall measure of the company's on-going net profitability on a diluted per share basis.

Management uses non-GAAP income from continuing operations per diluted share in its evaluation of the company's core after-tax results of operations and trends between fiscal periods and believes that this measure is an important component of its internal performance measurement process. In addition, the company prepares and maintains its budgets and forecasts for future periods on a basis consistent with this non-GAAP financial measure. Management believes that providing this non-GAAP financial measure allows investors to view the company's financial results in the way that management views the financial results.

The non-GAAP financial measure presented herein has certain limitations in that it does not reflect all of the costs associated with the operations of the company's business as determined in accordance with GAAP. Therefore, investors should consider this non-GAAP financial measure in addition to, and not as a substitute for, or as superior to, measures of financial performance prepared in accordance with GAAP. The non-GAAP financial measure presented by the company may be different from the non-GAAP financial measures used by other companies.

For additional information on the items excluded from the non-GAAP financial measure presented and why the company believes that this non-GAAP financial measure provides useful supplemental information to investors, the company refers you to the Form 8-K regarding this release filed today with the Securities and Exchange Commission.