

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: July 30, 2015
(Date of earliest event reported)

GSI Technology, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

000-33387
(Commission File
Number)

77-0398779
(IRS Employer
Identification Number)

1213 Elko Drive, Sunnyvale, California
(Address of principal executive offices)

94089
(Zip Code)

(408) 331-8800
(Registrant's telephone number, including area code)

Not Applicable
(Former Name or Former Address, if changed since last report)

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))

Item 2.02. Results of Operations and Financial Condition

On July 30, 2015, GSI Technology, Inc. (the "Company") issued a press release reporting financial results for its first fiscal quarter ended June 30, 2015. A copy of this press release is attached hereto as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

99.1 [Press Release of GSI Technology, Inc. dated July 30, 2015](#)

SIGNATURE

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.

Dated: July 30, 2015

GSI TECHNOLOGY, INC.

By: /s/ Douglas M. Schirle
Douglas M. Schirle
Chief Financial Officer

Exhibit Index

Exhibit No.

99.1

Description

Press Release of GSI Technology, Inc. dated July 30, 2015

GSI Technology, Inc. Reports First-Quarter Fiscal 2016 Results

SUNNYVALE, CA -- (Marketwired - July 30, 2015) - **GSI Technology, Inc.** (NASDAQ: GSIT) today reported financial results for its first fiscal quarter ended June 30, 2015.

The Company reported a net loss of \$(900,000) or \$(0.04) per diluted share, on net revenues of \$14.0 million for the first quarter of fiscal 2016, compared to a net loss of \$(1.4 million), or \$(0.05) per diluted share, on net revenues of \$12.9 million in the first quarter of fiscal 2015 and a net loss of \$(2.7 million), or \$(0.12) per diluted share, on net revenues of \$13.1 million in the fourth quarter of fiscal 2015, ended March 31, 2015. Gross margin was 52.0% compared to 45.9% in the prior year period and 49.6% in the preceding fourth quarter.

Total operating expenses in the first quarter of fiscal 2016 were \$8.3 million, compared to \$7.4 million in the first quarter of fiscal 2015 and \$9.4 million in the preceding fourth quarter. Research and development expenses were \$3.0 million, compared to \$3.1 million in the prior year period and \$3.0 million in the preceding quarter. Selling, general and administrative expenses, which include litigation-related expenses, were up year-over-year to \$5.3 million compared to \$4.3 million in the quarter ended June 30, 2015, but down sequentially from \$6.3 million in the preceding quarter.

Litigation-related expenses in the first quarter of fiscal 2016 were \$2.5 million, down from \$3.5 million in the previous quarter and up from \$1.8 million in the same period a year ago. The litigation-related expenses again were primarily associated with patent infringement and antitrust litigation involving Cypress Semiconductor, which was settled in May 2015, and a pending commercial and trade secret lawsuit in which we are the plaintiff.

Lee-Lean Shu, Chairman and Chief Executive Officer, noted, "Our net revenues came in at the high end of the range of guidance that we had provided earlier in the first quarter, and -- as in the prior quarter -- our gross margin came in well above our guidance and well above our operating model at 52.0%, fueled by a continuing very favorable mix of higher margin products. However, as in prior quarters, we continued to see slowness in the telecommunications and networking markets and continued weak sales in Asia. Also, we again incurred substantial litigation-related expenses during the quarter, as our patent infringement litigation and antitrust lawsuit against Cypress continued throughout most of the quarter, and discovery ramped up in an unrelated commercial and trade secret case in which we are the plaintiff. Excluding the impact of litigation-related expenses, our bottom line for the first quarter would have been net income of \$1.6 million rather than a \$900,000 net loss. Looking forward to the remainder of fiscal 2016, we expect to maintain our leadership position in the high speed SRAM segment, and we look forward to expanding into the low-latency DRAM space as shipments of our LLDRAMs increase throughout the year. Our protracted litigation with Cypress was settled in May, so we will no longer be incurring expenses related to those cases. However, we expect that legal expenses related to the pending commercial and trade secret litigation will be substantial over the next two quarters as activity ramps up in anticipation of trial, currently scheduled for October 2015."

Sales to Alcatel-Lucent were \$4.5 million, or 32.1% of net revenues, during the first quarter, compared to \$3.6 million, or 27.4% of net revenues, in the prior quarter and \$3.2 million, or 24.6% of net revenues, in the same period a year ago. First-quarter direct and indirect sales to Cisco Systems were \$1.3 million, or 9.5% of net revenues, compared to \$1.4 million, or 10.6% of net revenues, in the prior quarter, and \$1.8 million, or 14.3% of net revenues, in the same period a year ago. Military/defense sales were 19.4% of shipments compared to 17.9% of shipments in the prior quarter and 15.2% of shipments in the comparable period a year ago. SigmaQuad sales were 51.9% of shipments compared to 44.7% in the prior quarter and 43.0% in the first quarter of fiscal 2015.

First-quarter fiscal 2016 operating loss was \$(1.0 million), compared to an operating loss of \$(2.9 million) in the prior quarter and an operating loss of \$(1.5 million) a year ago. The first-quarter fiscal 2016 net loss included interest and other income of \$116,000 and a tax provision of \$25,000, compared to \$71,000 in interest and other income and a tax provision of \$48,000 a year ago; in the preceding quarter, net loss included interest and other income of \$104,000 and a tax benefit of \$43,000.

Total first-quarter pre-tax stock-based compensation expense was \$474,000 compared to \$544,000 in the prior quarter and \$573,000 in the comparable quarter a year ago.

At June 30, 2015, the Company had \$58.5 million in cash, cash equivalents and short-term investments, \$17.5 million in long-term investments, \$68.2 million in working capital, no debt, and stockholders' equity of \$93.8 million.

Stock Repurchase Program

Our Board of Directors has authorized us to repurchase, at management's discretion, shares of our common stock. On August 20, 2013, the Board increased the dollar value of shares that may be repurchased by \$10 million. Under the repurchase program, we may repurchase shares from time to time on the open market or in private transactions. The specific timing and amount of the repurchases will be dependent on market conditions, securities law limitations and other factors. The repurchase program may be suspended or terminated at any time without prior notice. During the quarter ended June 30, 2015, we repurchased 457,630 shares at an average cost of \$5.36 per share for a total cost of \$2.5 million. To date, the Company has repurchased a total of 9,186,162 shares at an average cost of \$5.33 per share at a total cost of \$49.0 million, including 3,846,153 shares acquired for purchase, at a purchase price of \$6.50 per share, under a modified "Dutch auction" self-tender offer completed in August 2014. At June 30, 2015, management was authorized to repurchase additional shares of our common stock with a value of up to \$6.0 million under the repurchase program.

Outlook for Second Quarter of Fiscal 2016

Looking forward to the second quarter of fiscal 2016, we currently expect net revenues to be in the range of \$13.5 million to \$14.5 million. We expect gross margin of approximately 48% to 50% in the second quarter.

Conference Call

GSI Technology will review its financial results for the quarter ended June 30, 2015 and discuss its current business outlook during a conference call at 1:30 p.m. Pacific (4:30 p.m. Eastern) today, July 30, 2015. To listen to the teleconference, please call toll-free 888-466-4582 approximately 10 minutes prior to the above start time and provide Conference ID 2315766. You may also listen to the teleconference live via the Internet at www.gsistechnology.com, where it will be archived.

About GSI Technology

Founded in 1995, GSI Technology, Inc. is a leading provider of high-performance static random access memory, or SRAM, products primarily incorporated in networking and telecommunications equipment. Headquartered in Sunnyvale, California, GSI Technology is ISO 9001 certified and has worldwide factory and sales locations. For more information, please visit www.gsistechnology.com.

Forward-Looking Statements

The statements contained in this press release that are not purely historical are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, including statements regarding GSI Technology's expectations, beliefs, intentions, or strategies regarding the future. All forward-looking statements included in this press release are based upon information available to GSI Technology as of the date hereof, and GSI Technology assumes no obligation to update any such forward-looking statements. Forward-looking statements involve a variety of risks and uncertainties, which could cause actual results to differ materially from those projected. These risks include those associated with fluctuations in GSI Technology's operating results; GSI Technology's historical dependence on sales to a limited number of customers and fluctuations in the mix of customers and products in any period; the rapidly evolving markets for GSI Technology's products and uncertainty regarding the development of these markets; the need to develop and introduce new products to offset the historical decline in the average unit selling price of GSI Technology's products; the challenges of rapid growth followed by periods of contraction; and intensive competition. Further information regarding these and other risks relating to GSI Technology's business is contained in the Company's filings with the Securities and Exchange Commission, including those factors discussed under the caption "Risk Factors" in such filings.

GSI TECHNOLOGY, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)
(Unaudited)

	Three Months Ended		
	June 30, 2015	Mar. 31, 2015	June 30, 2014
Net revenues	\$ 14,025	\$ 13,063	\$ 12,945
Cost of goods sold	6,730	6,590	7,006
Gross profit	7,295	6,473	5,939
Operating expenses:			
Research & development	2,998	3,048	3,073
Selling, general and administrative	5,305	6,302	4,335
Total operating expenses	8,303	9,350	7,408
Operating income (loss)	(1,008)	(2,877)	(1,469)
Interest and other income, net	116	104	71
Income (loss) before income taxes	(892)	(2,773)	(1,398)
Provision (benefit) for income taxes	25	(43)	48
Net income (loss)	\$ (917)	\$ (2,730)	\$ (1,446)
Net income (loss) per share, basic	\$ (0.04)	\$ (0.12)	\$ (0.05)
Net income (loss) per share, diluted	\$ (0.04)	\$ (0.12)	\$ (0.05)

Weighted-average shares used in

computing per share amounts:

Basic	22,943	23,331	27,495
Diluted	22,943	23,331	27,495

Stock-based compensation included in the Condensed Consolidated Statements of Operations:

	Three Months Ended		
	June 30, 2015	Mar. 31, 2015	June 30, 2014
Cost of goods sold	\$ 69	\$ 105	\$ 99
Research & development	217	232	242
Selling, general and administrative	188	207	232
	\$ 474	\$ 544	\$ 573
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Litigation related expenses included in the Condensed Consolidated Statements of Operations:

	Three Months Ended		
	June 30, 2015	Mar. 31, 2015	June 30, 2014
Selling, general and administrative	\$ 2,508	\$ 3,532	\$ 1,760

GSI TECHNOLOGY, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)
(Unaudited)

	June 30, 2015	March 31, 2015
Cash and cash equivalents	\$ 39,176	\$ 36,776
Short-term investments	19,299	22,201
Accounts receivable	9,423	8,257
Inventory	8,674	8,412
Other current assets	3,181	2,297
Net property and equipment	8,421	8,708
Long-term investments	17,545	21,740
Other assets	481	498
Total assets	\$ 106,200	\$ 108,889
	=====	=====
Current liabilities	\$ 11,599	\$ 11,713
Long-term liabilities	790	780
Stockholders' equity	93,811	96,396
Total liabilities and stockholders' equity	\$ 106,200	\$ 108,889
	=====	=====

GSI Technology, Inc.
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Chief Financial Officer
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David Fore or Brett Maas
206-395-2711