

ANSYS INC
Form 10-Q
May 06, 2015

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 31, 2015

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

Commission File Number: 0-20853

ANSYS, Inc.

(Exact name of registrant as specified in its charter)

Delaware

04-3219960

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

2600 ANSYS Drive, Canonsburg, PA
(Address of principal executive offices)
724-746-3304

15317
(Zip Code)

(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 a check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company (as defined in Exchange Act Rule 12b-2). (Check one):

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

The number of shares of the Registrant's Common Stock, par value \$.01 per share, outstanding as of April 30, 2015 was 89,772,367 shares.

ANSYS, INC. AND SUBSIDIARIES
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PART I – UNAUDITED FINANCIAL INFORMATION

Item 1. Financial Statements:

ANSYS, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2015 (Unaudited)	December 31, 2014 (Audited)
(in thousands, except share and per share data)		
ASSETS		
Current assets:		
Cash and cash equivalents	\$760,394	\$788,064
Short-term investments	789	714
Accounts receivable, less allowance for doubtful accounts of \$5,000 and \$5,500, respectively	80,949	101,229
Other receivables and current assets	167,856	192,308
Deferred income taxes	19,300	28,178
Total current assets	1,029,288	1,110,493
Property and equipment, net	62,496	64,643
Goodwill	1,315,045	1,312,182
Other intangible assets, net	244,777	259,312
Other long-term assets	6,346	6,187
Deferred income taxes	23,142	21,286
Total assets	\$2,681,094	\$2,774,103
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$3,689	\$3,421
Accrued bonuses and commissions	16,039	47,001
Accrued income taxes	14,576	7,127
Deferred income taxes	114	24
Other accrued expenses and liabilities	65,879	74,862
Deferred revenue	343,814	332,664
Total current liabilities	444,111	465,099
Long-term liabilities:		
Deferred income taxes	34,908	37,390
Other long-term liabilities	50,810	54,113
Total long-term liabilities	85,718	91,503
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$.01 par value; 2,000,000 shares authorized; zero shares issued or outstanding	—	—
Common stock, \$.01 par value; 300,000,000 shares authorized; 93,236,023 shares issued	932	932
Additional paid-in capital	891,079	904,825
Retained earnings	1,595,640	1,539,508
Treasury stock, at cost: 3,509,300 and 2,470,675 shares, respectively	(287,002)	(196,010)
Accumulated other comprehensive loss	(49,384)	(31,754)
Total stockholders' equity	2,151,265	2,217,501
Total liabilities and stockholders' equity	\$2,681,094	\$2,774,103
The accompanying notes are an integral part of the condensed consolidated financial statements.		

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ANSYS, INC. AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENTS OF INCOME
 (Unaudited)

(in thousands, except per share data)	Three Months Ended	
	March 31, 2015	March 31, 2014
Revenue:		
Software licenses	\$124,969	\$126,429
Maintenance and service	92,812	88,842
Total revenue	217,781	215,271
Cost of sales:		
Software licenses	7,209	7,144
Amortization	9,357	9,315
Maintenance and service	19,322	21,286
Total cost of sales	35,888	37,745
Gross profit	181,893	177,526
Operating expenses:		
Selling, general and administrative	56,749	53,550
Research and development	40,009	40,120
Amortization	5,077	4,794
Total operating expenses	101,835	98,464
Operating income	80,058	79,062
Interest expense	(154) (248
Interest income	656	841
Other income (expense), net		