

ADC TELECOMMUNICATIONS INC

Form 8-K

January 15, 2008

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 9, 2008

ADC Telecommunications, Inc.

(Exact name of registrant as specified in its charter)

Minnesota

0-1424

41-0743912

(State or other jurisdiction
of incorporation)

(Commission
File Number)

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

13625 Technology Drive, Eden Prairie,
Minnesota

55344

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

952.938.8080

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))

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Item 2.06 Material Impairments.

We previously reported that credit concerns in the capital markets have significantly reduced our ability to liquidate auction-rate securities we hold. These securities are classified as available-for-sale securities on our balance sheet.

In our annual report on Form 10-K for fiscal 2007 we reported a \$29.4 million other-than-temporary impairment charge as of the end of our fiscal 2007 (i.e., October 31, 2007) because of a decrease in the fair-value of our auction-rate securities. We also stated that we expected to take an additional other-than-temporary impairment charge at the end of our first quarter of fiscal 2008 (i.e., February 1, 2008) because account statements dated November 30, 2007 received from the firms managing our investments indicated a further decrease in the fair-value of these securities. We stated that based on the November 30, 2007 account statements this additional impairment charge for our first quarter was estimated to be \$20.0 million. We also stated that the amount of this first quarter charge was subject to significant change in the event of changes in market conditions.

The firms managing our auction-rate securities investments recently delivered account statements to us dated December 28, 2007. We have analyzed these statements, and concluded on January 9, 2008 that a further decrease in the estimated fair value of the auction-rate securities we hold has occurred. We therefore have increased the estimated amount of the other-than-temporary impairment charge we expect to take at the end of our first fiscal quarter from \$20.0 million to \$31.0 million. This updated estimate for the first fiscal quarter may change again once we have updated account information at the end of the quarter.

Taking into account this current increase in the estimated other-than-temporary impairment charge, our auction-rate securities had an estimated fair value of \$110.0 million as of December 28, 2007. This estimated fair value of the auction-rate securities we hold could decrease or increase significantly in the future based on market conditions. We will continue to assess the amount of potential impairment charges on the value of our auction-rate securities based on our analysis of account statements we receive from the firms managing these investments.

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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.

ADC Telecommunications, Inc.

January 15, 2008

By: *James G. Mathews*

Name: James G. Mathews

Title: Vice President, Chief Financial Officer