

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: April 22, 2005
(Date of earliest event reported)

LATTICE SEMICONDUCTOR CORPORATION
(Exact name of registrant as specified in its charter)

Delaware ----- (State of incorporation)	000-18032 ----- (Commission File Number)	93-0835214 ----- (IRS Employer Identification No.)
5555 N.E. Moore Court, Hillsboro, Oregon ----- (Address of principal executive offices)		97124-6421 ----- (Zip Code)

(503) 268-8000

(Registrant's telephone number, including area code)

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 (17CFR 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 April 21, 2005, Lattice Semiconductor Corporation (the "Company") issued a press release announcing the Company's financial results for the fiscal quarter ended April 2, 2005. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this Item 2.02, in Item 9.01 hereof and in Exhibit 99.1 shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 FINANCIAL STATEMENTS AND EXHIBITS

The following exhibit is being furnished (not filed) herewith:

Exhibit Number	Description
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99.1	Press Release dated April 21, 2005, entitled "Lattice Semiconductor Reports First Quarter Financial Results"

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.

LATTICE SEMICONDUCTOR CORPORATION
(Registrant)

Date: April 21, 2005

By: /s/ Jan Johannessen

Jan Johannessen
Chief Financial Officer

EXHIBIT INDEX

Exhibit Number	Description
99.1	Press Release dated April 21, 2005, entitled "Lattice Semiconductor Reports First Quarter Financial Results" (furnished herewith)

Lattice Semiconductor Reports First Quarter Financial Results

HILLSBORO, Ore.--(BUSINESS WIRE)--April 21, 2005--Lattice Semiconductor Corporation (NASDAQ:LSCC) today announced financial results for the first quarter ended March 2005.

Revenue for the first quarter was \$51.3 million, an increase of six percent from last quarter's revenue of \$48.5 million but down 13 percent from the \$59.1 million reported in the same quarter a year ago.

Quarterly revenue from PLD products was \$42.1 million, or 82 percent of total revenue, and grew six percent sequentially. Quarterly revenue from FPGA products was \$9.2 million, or 18 percent of total revenue, and grew four percent sequentially. Quarterly revenue from New products, now 28 percent of total revenue, grew 13 percent sequentially and 86 percent on a year over year basis.

Net loss for the first quarter was \$10.9 million (\$0.10 per share) as compared to the net loss of \$13.1 million (\$0.12 per share) reported last quarter. These losses include charges of \$4.4 million and \$5.8 million, respectively, for the amortization of intangible assets. Excluding these charges, loss for the first quarter was \$6.5 million (\$0.06 per share) as compared to a loss of \$7.4 million (\$0.07 per share) reported last quarter on a similar basis. These non-cash charges have been highlighted as they are currently expected to be substantially eliminated in 2008. The Company believes exclusion of these charges more closely approximate its cash earnings performance. A reconciliation of non-GAAP net loss to GAAP net loss accompanies the financial tables in this earnings release.

"During the first quarter, the programmable logic market experienced a general recovery", stated Cyrus Y. Tsui, chairman and chief executive officer. "Due to these favorable conditions and a continuation of our new product revenue growth, we posted sequential quarterly revenue growth above our initial outlook.

"Last quarter we also made a major product announcement with the successful introduction of our second new FPGA family, the LatticeXP(TM)", continued Tsui. "This differentiated next generation FPGA combines a low-cost architecture with non-volatile, infinitely reconfigurable ispXP (expanded programmability) technology. Manufactured using an advanced 130nm embedded flash process technology jointly developed with Fujitsu, LatticeXP devices will allow a significant reduction in the historic price premium (compared to volatile FPGA devices) for non-volatile FPGA devices. We are pleased with the initial customer reception and expect the LatticeXP family to open new avenues of revenue growth for Lattice in the future."

Business Outlook - June 2005 Quarter:

- Sequential revenue growth is expected to be in the low to mid single digit range;
- Gross margin percent is expected to be approximately flat;
- Total operating expenses are expected to decrease by approximately \$1 to \$2 million;
- Intangible asset amortization is expected to be approximately \$4.1 million; and
- Other Income is expected to be approximately \$1.5 million.

On April 22, 2005, Lattice will hold a telephone conference call at 5:30 a.m. (Pacific Time) with financial analysts. Investors may listen to our conference call live via the web at www.lsc.com. Replays of the call will also be available at www.lsc.com. On June 14, 2005, we plan to publish a "Business Update Statement" on our website. Our financial guidance will be limited to the comments on our public quarterly earnings call and these public business outlook statements. Additionally, during the June 2005 quarter, Lattice plans to participate in investor conferences sponsored by Piper Jaffray, JP Morgan and Bear Stearns. Specific presentation dates and times are posted on our website at www.lsc.com.

The foregoing paragraphs contain forward-looking statements within the meaning of the federal securities laws including statements about future quarterly financial results, revenues, customers, product offerings and the Company's ability to compete. Investors are cautioned that actual events and results could differ materially from these statements as a result of a number of factors, including overall semiconductor market conditions, market acceptance and demand for the Company's new products, the Company's dependencies on our silicon

wafer suppliers, the impact of competitive products and pricing, technological and product development risks. The Company does not intend to update or revise any forward looking statements, whether as a result of events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Lattice Semiconductor Corporation provides the industry's broadest range of Field Programmable Gate Arrays (FPGA) and Programmable Logic Devices (PLD), including Field Programmable System Chips (FPSC), Complex Programmable Logic Devices (CPLD), Programmable Mixed-Signal Products (ispPAC(R)) and Programmable Digital Interconnect Devices (ispGDX(R)). Lattice also offers industry leading SERDES products. Lattice is "Bringing the Best Together" with comprehensive solutions for system design, including an unequaled portfolio of non-volatile programmable devices that deliver instant-on operation, security and "single chip solution" space savings.

Lattice products are sold worldwide through an extensive network of independent sales representatives and distributors, primarily to OEM customers in communications, computing, industrial, consumer, automotive, medical and military end markets. Company headquarters are located at 5555 NE Moore Court, Hillsboro, Oregon 97124-6421, USA; telephone 503-268-8000, fax 503-268-8037. For more information about Lattice Semiconductor Corporation, visit <http://www.latticesemi.com>

Lattice Semiconductor Corporation, Lattice (& design), L (& design), LatticeXP, ispXP and specific product designations are either registered trademarks or trademarks of Lattice Semiconductor Corporation or its subsidiaries in the United States and/or other countries.

Lattice Semiconductor Corporation
Consolidated Statement of Operations
(in thousands, except per share data)

Description	Three months ended		
	Mar. 31, 2005	Dec. 31, 2004	Mar. 31, 2004
	(unaudited)	(unaudited)	(unaudited)
Revenue	\$ 51,283	\$ 48,541	\$ 59,071
Costs and expenses:			
Costs of products sold	22,171	21,058	24,719
Research and development	24,557	22,886	22,259
Selling, general and administrative	14,333	13,017	13,087
Amortization of intangible assets (1)(2)	4,416	5,759	18,654
Total costs and expenses	65,477	62,720	78,719
Loss from operations	(14,194)	(14,179)	(19,648)
Other income, net	3,409	1,141	3,107
Loss before provision for income taxes	(10,785)	(13,038)	(16,541)
Provision for income taxes	100	100	0
Net loss	(\$10,885)	(\$13,138)	(\$16,541)
Basic net loss per share	(\$0.10)	(\$0.12)	(\$0.15)
Diluted net loss per share	(\$0.10)	(\$0.12)	(\$0.15)
Shares used in per share calculations:			
Basic	113,460	113,307	112,627
Diluted (3)	113,460	113,307	112,627

Notes:

(1) Intangible assets subject to amortization aggregate \$37.0 million, net, at March 31, 2005 and relate to the acquisition of Cerdelix Technologies, Inc. on August 26, 2002, the acquisition of the FPGA business of Agere Systems, Inc. on January 18, 2002 and the acquisition of Integrated Intellectual Property Inc. on March 16, 2001. These intangible assets are amortized to expense generally over three to seven years on a straight-line basis.

(2) Includes \$0.6 million, \$0.6 million and \$0.8 million of deferred stock compensation expense for the quarters ended March 31, 2005, December 31, 2004, and March 31, 2004, respectively, attributable to Research and Development activities.

(3) For all periods presented, the computation of diluted net loss per share excludes the effect of stock options and our Zero Coupon Convertible Subordinated Notes as they are antidilutive.

Lattice Semiconductor Corporation
Consolidated Balance Sheet
(in thousands)

Description	Mar. 31, 2005	Dec. 31, 2004

(unaudited)		
Assets		
Current assets:		
Cash and marketable securities	\$ 253,212	\$ 296,295
Accounts receivable, net	24,940	19,587
Inventories	36,530	38,634
Other current assets	44,203	46,527
	-----	-----
Total current assets	358,885	401,043
Property and equipment, net	45,708	47,586
Foundry investments, advances and other assets	94,310	97,877
Goodwill and other intangible assets, net (1)	260,601	264,400
	-----	-----
	\$ 759,504	\$ 810,906
	=====	=====
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and other accrued liabilities	\$ 37,679	\$ 61,161
Deferred income on sales to distributors	10,776	11,399
	-----	-----
Total current liabilities	48,455	72,560
Zero Coupon Convertible Subordinated Notes due in 2010	153,500	169,000
Other long-term liabilities	27,347	26,755
	-----	-----
	180,847	195,755
Stockholders' equity	530,202	542,591
	-----	-----
	\$ 759,504	\$ 810,906
	=====	=====

Note:

(1) At March 31, 2005, includes approximately \$223.6 million in Goodwill and \$37.0 million of other intangible assets, net, related to previous acquisitions. The other intangible assets are being amortized to expense generally over three to seven years. Goodwill is not amortized effective with the March 2002 quarter.

Appendix 1

(in thousands, except per share data)
(unaudited)

Description	Three months ended		
	Mar. 31, 2005	Dec. 31, 2004	Mar. 31, 2004
Revenue	\$ 51,283	\$ 48,541	\$ 59,071
Costs and expenses:			
Costs of products sold	22,171	21,058	24,719
Research and development	24,557	22,886	22,259
Selling, general and administrative	14,333	13,017	13,087
Total costs and expenses	61,061	56,961	60,065
Loss from operations	(9,778)	(8,420)	(994)
Other income, net	3,409	1,141	3,107
(Loss) income before provision for income taxes	(6,369)	(7,279)	2,113
Provision for income taxes	100	100	0
Non-GAAP net (loss) income	(\$6,469)	(\$7,379)	\$ 2,113
Diluted Non-GAAP (loss) income per share (2)	(\$0.06)	(\$0.07)	\$ 0.02
Shares used in calculations	113,460	113,307	117,795

Notes:

(1) This table presents operating information which is consistent with the information reported by Thompson Financial, Reuters and Zacks for Lattice Semiconductor Corporation. A reconciliation to GAAP on a per share basis is attached as Appendix 2.

(2) For the three months ended March 31, 2005 and December 31, 2004, the computation of diluted Non-GAAP loss excludes the effect of stock options and our Zero Coupon Subordinated Convertible Notes as they are antidilutive. For the three months ended March 31, 2004, the computation of diluted Non-GAAP income includes the effect of stock options but excludes the effect of our Zero Coupon Subordinated Convertible Notes as they are antidilutive.

Appendix 2

Lattice Semiconductor Corporation
Non-GAAP Earnings Reconciliation (1)
(unaudited)

Description	Three months ended		
	Mar. 31, 2005	Dec. 31, 2004	Mar. 31, 2004
Net loss	(\$0.10)	(\$0.12)	(\$0.15)
Add:			
Amortization of intangible assets	\$ 0.04	\$ 0.05	\$ 0.17
Non-GAAP (loss) income	(\$0.06)	(\$0.07)	\$ 0.02

Notes:

(1) This table reconciles net loss to non-GAAP information, which is presented in Appendix 1, on a per-share basis.

LATTICE SEMICONDUCTOR CORPORATION
- Supplemental Historic Financial Information -
(Q1 2005)

Operations Information	Q105	Q404	Q104
	-----	-----	-----
Percent of Revenue			
Gross Margin	56.8%	56.6%	58.2%
R&D Expense	47.9%	47.1%	37.7%
SG&A Expense	27.9%	26.8%	22.2%
Operating Loss	-27.7%	-29.2%	-33.3%
Operating Loss (Non-GAAP)	-19.1%	-17.3%	-1.7%
Depreciation Expense (\$000)	3,764	3,890	4,498
Capital Expenditures (\$000)	1,886	2,301	2,022
Balance Sheet Information			
Current Ratio	7.4	5.5	9.3
A/R Days Revenue Outstanding	44	37	40
Inventory Months	4.9	5.5	5.4
Revenue % (by Product Family)			
FPGA	18%	18%	19%
PLD	82%	82%	81%
Revenue % (by Product Classification(1))			
New	28%	26%	13%
Mainstream	36%	35%	43%
Mature	36%	39%	44%
Revenue % (by Geography)			
Americas	30%	33%	36%
Europe (incl. Africa)	25%	26%	24%
Asia (incl. ROW)	45%	41%	40%
Revenue % (by End Market)			
Communications	53%	48%	53%
Computing	19%	20%	19%
Other	28%	32%	28%
Revenue % (by Channel)			
Direct	59%	59%	58%
Distribution	41%	41%	42%

(1)Product Classification:

New:	LatticeEC/P, FPSC, XPLD, XPGA, GDX2, ORCA 4, ispMACH 4000/Z, ispPAC-PWR, ispCLK
Mainstream:	ORCA 3, GDX/V, ispMACH L/V, ispLSI 2000V, ispLSI 5000V, ispLSI 8000V, ispMACH 5000V/G, and Other
Mature:	ORCA 2, all 5-Volt CPLDs, all SPLDs

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