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**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**SCHEDULE TO**

(Rule 13e-4)

*Tender Offer Statement Under Section 14(d)(1) or 13(e)(1)  
of the Securities Exchange Act of 1934  
(Amendment No. 3)*

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**LATTICE SEMICONDUCTOR CORPORATION**

(Name of Subject Company (Issuer) and Filing Person (Offeror))

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**Options to Purchase Common Stock, Par Value \$0.01 Per Share**

(Title of Class of Securities)

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**518415104**

(CUSIP Number of Common Stock Underlying the Class of Securities)

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**Byron Milstead**

**Corporate Vice President and General Counsel**

**Lattice Semiconductor Corporation**

**5555 N.E. Moore Court**

**Hillsboro, Oregon 97124-6421**

**(503) 268-8000**

(Name, address and telephone numbers of person authorized to receive notices and communications on behalf of filing persons)

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*Copies to:*

**John A. Fore, Esq.**

**Michael S. Russell, Esq.**

**Wilson Sonsini Goodrich & Rosati**

**Professional Corporation**

**650 Page Mill Road**

**Palo Alto, CA 94304-1050**

**(650) 493-9300**

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**CALCULATION OF FILING FEE**

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<b>Transaction Valuation*</b>	<b>Amount of Filing Fee</b>
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\$6,063,814.68

\$238.31

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\* Calculated solely for purposes of determining the filing fee. This amount assumes that options to purchase 7,875,084 shares of common stock of Lattice Semiconductor Corporation having an aggregate value of \$6,063,814.68 as of December 15, 2008 will be exchanged or cancelled pursuant to this offer. The aggregate value of such securities was calculated based on the Black-Scholes option pricing model. The amount of the filing fee, calculated in accordance with the Securities Exchange Act of 1934, as amended, equals \$39.30 for each \$1,000,000 of the value of this transaction.

- Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid:	\$238.31
Form or Registration No.:	Schedule TO
Filing party:	Lattice Semiconductor Corporation
Date filed:	December 22, 2008

- Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- third party tender offer subject to Rule 14d-1.
- issuer tender offer subject to Rule 13e-4.
- going-private transaction subject to Rule 13e-3.
- amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

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This Amendment No. 3 (this "Amendment") to the Tender Offer Statement on Schedule TO (the "Schedule TO") relates to an offer by Lattice Semiconductor Corporation, a Delaware corporation ("Lattice" or the "Company"), to exchange (the "Exchange Offer") certain options to purchase up to an aggregate of 7,875,084 shares of the Company's common stock, whether vested or unvested, that were granted with an exercise price per share equal to or greater than \$3.91, except as otherwise described in the Offer to Exchange (defined below) (the "Eligible Options"). These Eligible Options may be exchanged for either new options or restricted stock units upon the terms and subject to the conditions set forth in (i) the Offer to Exchange Certain Outstanding Options for New Options or Restricted Stock Units dated December 22, 2008, as amended on January 5, 2009 (the "Offer to Exchange"), attached hereto as Exhibit (a)(1)(A), (ii) the cover letter to eligible employees from Byron Milstead, the Company's Corporate Vice President and General Counsel, dated December 22, 2008, attached hereto as Exhibit (a)(1)(B), (iii) the Election Form, attached hereto as Exhibit (a)(1)(C), and (iv) the Withdrawal Form, attached hereto as Exhibit (a)(1)(D). These documents, as they may be amended or supplemented from time to time, together constitute the "Offer Documents." An "eligible employee" refers to all employees of the Company or its subsidiaries based in the United States as of the date of this Exchange Offer who remain employees of the Company or its subsidiaries through the date exchanged Eligible Options are cancelled. Notwithstanding the foregoing, the Company's executive officers, members of the Company's board of directors, and employees of the Company's based outside of the United States are not eligible employees.

The information in the Offer Documents, including all schedules and annexes to the Offer Documents, which were previously filed with the Schedule TO, is incorporated herein by reference to answer the items required in this Schedule TO, except that such information is hereby amended and supplemented to the extent specifically provided herein. Except as specifically set forth herein, this Amendment No. 3 does not modify any of the information previously reported on the Schedule TO.

**Item 10. Financial Statements.**

**(a) Financial Information.**

The information set forth in the Offer to Exchange under the captions “The Offer” titled “Information concerning Lattice,” “The Offer” titled “Financial statements” and “The Offer” titled “Additional information” is hereby amended and supplemented to add the following information:

“The information filed (but not furnished) on our current report on Form 8-K, dated January 29, 2009, including Exhibit 99.2 thereto, is incorporated herein by reference.”

**Item 11. Additional Information.**

The information set forth in the Offer to Exchange under the caption “The Offer” titled “Additional information” at item number 5 of the list in the first paragraph thereof is hereby amended, supplemented and restated to add the following information:

“5. Our current reports on Form 8-K filed with the SEC on February 1, 2008, February 19, 2008, March 24, 2008, March 27, 2008, May 29, 2008, June 16, 2008, July 3, 2008, July 14, 2008, July 31, 2008, September 16, 2008, December 9, 2008, December 19, 2008 and January 29, 2009 (but only to the extent filed); and”

**Item 12. Exhibits**

Item 12 of the Schedule TO is hereby amended and supplemented to add the following exhibits:

- (a)(1)(P) Email to eligible employees from Byron Milstead, Corporate Vice President and General Counsel, dated January 29, 2009.
- (a)(1)(Q) Illustrative spreadsheet to calculate the number of new options or restricted stock units as of January 28, 2009.

**SIGNATURE**

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Amendment #3 to the Schedule TO is true, complete and correct.

**LATTICE SEMICONDUCTOR CORPORATION**

/s/ Byron Milstead

Byron Milstead

Corporate Vice President and General Counsel

Date: January 29, 2009

## INDEX TO EXHIBITS

Exhibit Number	Description
(a)(1)(A)*	Offer to Exchange Certain Outstanding Options for New Options or Restricted Stock Units, dated December 22, 2008, as amended on January 5, 2009.
(a)(1)(B)*	Cover Letter to all eligible employees from Byron Milstead, Corporate Vice President and General Counsel, dated December 22, 2008.
(a)(1)(C)*	Election Form.
(a)(1)(D)*	Withdrawal Form.
(a)(1)(E)*	Form of Confirmation E-Mail of receipt of election or withdrawal form.
(a)(1)(F)*	Forms of Reminder E-Mails.
(a)(1)(G)*	Registrant's 1996 Stock Incentive Plan, as amended ( <i>incorporated herein by reference to Exhibit (d)(1) to the Company's Schedule TO, filed on February 13, 2003, File No. 005-40545</i> ).
(a)(1)(H)*	Form of Stock Option Agreement in connection with the Registrant's 1996 Stock Incentive Plan, as amended ( <i>incorporated herein by reference to Exhibit (d)(2) to the Company's Schedule TO, filed on February 13, 2003, File No. 005-40545</i> ).
(a)(1)(I)*	Form of restricted stock unit agreement in connection with the Registrant's 1996 Stock Incentive Plan, as amended.
(a)(1)(J)*	Registrant's 2001 Stock Plan, as amended ( <i>incorporated herein by reference to Exhibit (d)(3) to the Company's Schedule TO, filed on February 13, 2003, File No. 005-40545</i> ).
(a)(1)(K)*	Form of Stock Option Agreement in connection with the Registrant's 2001 Stock Plan, as amended ( <i>incorporated herein by reference to Exhibit (d)(4) to the Company's Schedule TO, filed on February 13, 2003, File No. 005-40545</i> ).
(a)(1)(L)*	Form of restricted stock unit agreement in connection with the Registrant's 2001 Stock Plan, as amended.
(a)(1)(M)*	Form of Amendment to Stock Option Agreements in connection with the Registrant's 1996 Stock Incentive Plan, as amended, and the Registrant's 2001 Stock Plan, as amended ( <i>incorporated herein by reference to Exhibit 99.3 to the Company's Current Report on Form 8-K, filed on December 12, 2005, File No. 000-18032</i> ).
(a)(1)(N)*	Form of Summary of Eligible Options provided to eligible employees.
(a)(1)(O)*	Email to eligible employees from Byron Milstead, Corporate Vice President and General Counsel, dated January 14, 2008.
(a)(1)(P)	Email to eligible employees from Byron Milstead, Corporate Vice President and General Counsel, dated January 29, 2009.
(a)(1)(Q)	Illustrative spreadsheet to calculate the number of new options or restricted stock units as of January 28, 2009.
(b)	Not applicable.
(d)	Not applicable.
(g)	Not applicable.
(h)	Not applicable.

\* Previously filed

January 29, 2009

We are in the sixth week of the Lattice Semiconductor Corporation Offer to Exchange Certain Outstanding Options for New Options or Restricted Stock Units dated December 22, 2008, as amended on January 5, 2009 (referred to as the "Offer to Exchange"). The offer to exchange your eligible options will expire at 11:59:59 p.m., Eastern Time, on February 3, 2009, unless we extend the offer period.

We are sending this email to you to (i) provide updated examples of the results of the Offer to Exchange based upon the average of closing price of the Company's common stock over the thirty (30) calendar day period ended January 28, 2009 and application of the updated Black-Scholes valuation model that we have begun using in the new fiscal year for purposes of valuing our equity awards, and (ii) provide you with a spreadsheet that will allow you to calculate an example of the number of new options or restricted stock units that you would be eligible to receive in exchange for your eligible options if the exchange were conducted with the specified exchange ratios. Please note that changes in the average closing price and changes in the variables of the Black-Scholes valuation model for this fiscal year have changed the exchange ratios from those provided to you as prior examples.

The Black-Scholes value of the new options and restricted stock units and eligible options will be calculated as of the expiration date using the average closing price of our common stock over the thirty (30) calendar day period ending on the expiration date. Therefore, the Black-Scholes value of the new options and eligible options will not be known until the expiration date. As the Black-Scholes value will determine the exchange ratios for each of the price ranges identified above, the exchange ratios will also not be known until the expiration date. Therefore, we will be notifying you of the final exchange ratio and providing you with a spreadsheet so you can calculate the number of new options or restricted stock units that you would receive in exchange for your eligible options based on the final exchange ratios on the expiration date.

**Eligible options exchanged for new options example.**

Assuming that the Black-Scholes value of the new options and eligible options will be determined based on a per share stock price of \$1.50, which was the average closing price of our common stock over the thirty (30) calendar day period ending on January 28, 2009, the exchange ratios would be as follows:

<u>Per Share Exercise Price of Eligible Option</u>	<u>New Options for Exchanged Options</u>
\$3.91 - \$4.99	One (1) new option for every three (3) exchanged options.
\$5.00 - \$7.49	One (1) new option for every four (4) exchanged options.
\$7.50 - \$9.99	One (1) new option for every seven and a half (7.50) exchanged options.
Above \$10.00	One (1) new option for every ten (10) exchanged options.

Consequently, under this example:

- If you exchange an option granted under the 1996 Plan covering 1,000 shares with an exercise price of \$4.00, on the award grant date you will receive a new option exercisable for 333 shares.
- If you exchange an option granted under the 1996 Plan covering 1,000 shares with an exercise price of \$6.00, on the award grant date you will receive a new option exercisable for 250 shares.

- If you exchange an option granted under the 1996 Plan covering 1,000 shares with an exercise price of \$9.00, on the award grant date you will receive a new option exercisable for 133 shares.
- If you exchange an option granted under the 1996 Plan covering 1,000 shares with an exercise price of \$11.00, on the award grant date you will receive a new option exercisable for 100 shares

***Vesting of new options example.***

Assume that an eligible employee elects to exchange an eligible option covering 1,000 shares with an exercise price of \$5.00 per share.

Assume that on February 3, 2009, the eligible employee surrenders the option and assume the applicable exchange ratio entitles the employee to receive 250 new options. Subject to the eligible employee remaining employed by the Company through each such relevant date, the vesting schedule of the new options will be as follows:

**Vesting Schedule**

- 0 shares will be vested as of February 3, 2009
- 63 shares will be scheduled to vest on February 3, 2010
- 16 shares will be scheduled to vest on May 3, 2010
- 16 shares will be scheduled to vest on August 3, 2010
- 16 shares will be scheduled to vest on November 3, 2010
- 16 shares will be scheduled to vest on February 3, 2011
- 16 shares will be scheduled to vest on May 3, 2011
- 16 shares will be scheduled to vest on August 3, 2011
- 16 shares will be scheduled to vest on November 3, 2011
- 16 shares will be scheduled to vest on February 3, 2012
- 16 shares will be scheduled to vest on May 3, 2012
- 16 shares will be scheduled to vest on August 3, 2012
- 16 shares will be scheduled to vest on November 3, 2012
- 11 shares will be scheduled to vest on February 3, 2013

**Maximum Term in this Example:**

The new option will expire no later than February 3, 2016.

**New options that do not vest will be forfeited to Lattice.**

***Eligible options exchanged for restricted stock units example.***

Assuming that the Black-Scholes value of the restricted stock units and eligible options will be determined based on a per share stock price of \$1.50, which was the average closing price of our common stock over the thirty (30) calendar day period ending on January 28, 2009, the exchange ratios would be as follows:

<u>Per Share Exercise Price of Eligible Option</u>	<u>Restricted Stock Units for Exchanged Options</u>
\$3.91 - \$4.99	One (1) restricted stock unit for every seven and a quarter (7.25) exchanged options.
\$5.00 - \$7.49	One (1) restricted stock unit for every thirteen (13) exchanged options.
\$7.50 - \$9.99	One (1) restricted stock unit for every nineteen and three quarters (19.75) exchanged options.
Above \$10.00	One (1) restricted stock unit for every twenty (20) exchanged options.

Consequently, under this example:



- If you exchange an option granted under the 2001 Plan covering 1,000 shares with an exercise price of \$4.00, on the award grant date you will receive 137 restricted stock units.
- If you exchange an option granted under the 2001 Plan covering 1,000 shares with an exercise price of \$6.00, on the award grant date you will receive 76 restricted stock units.
- If you exchange an option granted under the 2001 Plan covering 1,000 shares with an exercise price of \$9.00, on the award grant date you will receive 50 restricted stock units.
- If you exchange an option granted under the 2001 Plan covering 1,000 shares with an exercise price of \$11.00, on the award grant date you will receive 50 restricted stock units.

***Vesting of restricted stock units example.***

Assume that an eligible employee elects to exchange an eligible option covering 1,000 shares with an exercise price of \$4.00 per share.

Assume that on February 3, 2009, the eligible employee surrenders the option and assume the applicable exchange ratio entitles the employee to receive 137 restricted stock units. Subject to the eligible employee remaining employed by the Company through each such relevant date, the vesting schedule of the restricted stock units will be as follows:

**Vesting Schedule**

0 shares will be vested as of February 3, 2009  
35 shares will be scheduled to vest on February 3, 2010  
9 shares will be scheduled to vest on May 3, 2010  
9 shares will be scheduled to vest on August 3, 2010  
9 shares will be scheduled to vest on November 3, 2010  
9 shares will be scheduled to vest on February 3, 2011  
9 shares will be scheduled to vest on May 3, 2011  
9 shares will be scheduled to vest on August 3, 2011  
9 shares will be scheduled to vest on November 3, 2011  
9 shares will be scheduled to vest on February 3, 2012  
9 shares will be scheduled to vest on May 3, 2012  
9 shares will be scheduled to vest on August 3, 2012  
9 shares will be scheduled to vest on November 3, 2012  
3 shares will be scheduled to vest on February 3, 2013

**Restricted stock units that do not vest will be forfeited to Lattice.**

If you have questions about the Offer to Exchange, you may direct them to:

Suzanne L. Bishop  
Bishop Consulting, LLC  
6107 SW Murray Blvd., #271  
Beaverton, OR 97008  
Phone: (503) 372-5761  
E-mail: stockadmin@latticesemi.com

This notice does not constitute the Offer to Exchange. The full terms of the offer are described in (1) the Offer to Exchange; (2) the cover letter from Byron Milstead, dated December 22, 2008; (3) the election form; and (4) the withdrawal form. You also may access these documents through the U.S. Securities and Exchange Commission's website at [www.sec.gov](http://www.sec.gov).

Byron Milstead

## Lattice Exchange Offer Calculator

Eligible Options for New Options - 1996 PlanExercise Price of Eligible Options

Greater than or Equal to..		Less than or Equal to..	Exchange Ratio	Eligible Options	New Options
\$ 3.91	to	\$4.99	3.00 : 1	5,000	1,666
\$ 5.00	to	\$7.49	4.00 : 1	4,000	1,000
\$ 7.50	to	\$9.99	7.50 : 1	3,000	400
\$ 10.00	to	And Up	10.00 : 1	2,000	200

Eligible Options for Restricted Stock Units - 2001 PlanExercise Price of Eligible Options

Greater than or Equal to..		Less than or Equal to..	Exchange Ratio	Eligible Options	Restricted Stock Units
\$ 3.91	to	\$4.99	7.25 : 1	4,000	551
\$ 5.00	to	\$7.49	13.00 : 1	3,000	230
\$ 7.50	to	\$9.99	19.75 : 1	2,000	101
\$ 10.00	to	And Up	20.00 : 1	1,000	50

The foregoing spreadsheet allows you to calculate an example of the number of new options or restricted stock units that you would be eligible to receive in this offer for your eligible options at specified exchange ratios. To determine the numbers, you will need to input the number of eligible options that you hold in each price range, which will result in a calculation of the number of new options or restricted stock units. The exchange ratios above are based on application of the Black-Scholes value calculated using the average closing price of our common stock over the thirty (30) calendar day period ended January 28, 2009. The number of new options or restricted stock units that you will be eligible to receive in this offer for your eligible options will depend on the final exchange ratios, and we will notify you of the final exchange ratios following the expiration of the offer.