

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

December 17, 1999
Date of Report (Date of earliest event reported)

8x8, INC.
(Exact name of registrant as specified in its charter)

Delaware

333-15627

77-0142404

(State or other jurisdiction
of incorporation)

(Commission File Number

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

2445 Mission College Blvd.
Santa Clara, California 95054
(Address of principal executive offices)

(408) 727-1885
(Registrant's telephone number, including area code)

ITEM 5. OTHER EVENTS

On December 17, 1999, 8x8, Inc., a Delaware corporation (the "Company") announced that it had completed a \$7.5 million private placement of subordinated Series A and B convertible debentures with funds managed by an institutional investor. A copy of the Company's press release is attached hereto as Exhibit 99.1.

ITEM 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(a) Exhibits.

Exhibit Number -----	Description -----
99.1	Press release, dated December 17, 1999.

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.

8x8, INC.

Dated: December 17, 1999

By: /s/ DAVID STOLL

David Stoll
Chief Financial Officer

EXHIBIT INDEX

Exhibit Number -----	Description -----
99.1	Press release, dated December 17, 1999.

Company Press Release
8x8, Inc. Issues \$7.5 Million Subordinated
Convertible Debentures

SANTA CLARA, Calif. - (BUSINESS WIRE) - December 17, 1999 - 8x8, Inc. (Nasdaq: EGHT - news), a leading supplier of multimedia communications technology and systems, announced today it has completed a \$7.5 million private placement of subordinated Series A and B convertible debentures with funds managed by an institutional investor.

Robertson Stephens served as placement agent to the Company for this transaction.

"This financing significantly strengthens 8x8's cash position," said Dr. Paul Voois, chairman and CEO of 8x8. "We intend to invest the proceeds principally in the development and marketing of 8x8's IP Telephony product line, in particular our Hosted iPBX solution for service providers. This solution allows competitive local exchange carriers and Internet service providers to provide outsourced business telephony services to their small and medium-sized business customers."

The debentures have a term of three years and carry an interest rate of 4 percent per annum, which may be paid in cash or common stock. The Series A debenture is convertible into 8x8's common stock at a conversion price equal to 117.5 percent of the average closing bid price of 8x8's common stock for the five trading days starting February 1, 2000, but in no case will the conversion price be higher than \$7.05 or lower than \$4.00. The conversion price of the Series B debenture will be 117.5 percent of the average closing bid price of 8x8's common stock for the five trading days starting March 8, 2000. The Company has the option to redeem the Series B debenture at par in the event that the Series B conversion price is lower than the Series A conversion price divided by 1.175.

For each of the Series A and Series B debentures, the investor shall receive a three-year warrant to purchase common shares of 8x8 equal in number to the amount of the corresponding debenture divided by the conversion price of the debenture. The exercise price of each warrant will equal the conversion price of the corresponding debenture. Should the Company choose to redeem the Series B debenture, then no corresponding warrant will be issued.

Under the Securities Act of 1933, as amended, 8x8 has agreed to register the resale of the common stock issuable upon conversion of the notes and the exercise of the warrants. The company is obligated to file a registration statement covering such shares within 95 days after the closing and will use its best efforts to have the registration statement declared effective within 150 days after closing.

About 8x8

8x8 is a leading manufacturer of digital telecommunications technology, including IP telephony

gateways, software and semiconductors. By leveraging its technology expertise in audio and video compression and communication protocols, the Company is providing systems and software to network and telecommunications equipment providers, Internet service providers and local exchange carriers. For more information, visit our Web site at <http://www.8x8.com>.

This press release contains forward looking statements. 8x8's actual results could differ materially from those discussed, implied or forecasted in the forward looking statements due to factors including in particular: the uncertainty of future profitability, the lack of assurance of future license revenues, potential fluctuations in future operating results, uncertainty surrounding the market acceptance of the Company's new and existing IP communications and monitoring products, dependence on key customers, need for additional capital, current and potential competition, and other risks detailed from time to time in 8x8's Securities and Exchange Commission filings, including its Report on Form 10-Q for the quarter ended September 30, 1999. 8x8 assumes no obligation to revise or update any forward looking statements contained in this press release.

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