

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

July 27, 2005
Date of Report (Date of earliest event reported):



8x8, Inc.

8X8, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State of other jurisdiction of incorporation)

000-21783

(Commission File Number)

77-0142404

(I.R.S. Employer Identification Number)

**3151 Jay Street
Santa Clara, CA 95054**

(Address of principal executive offices including zip code)

(408) 727-1885

(Registrant's telephone number, including area code)

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))

Item 2.02. Results of Operations and Financial Condition.

On July 27, 2005, 8x8, Inc. ("8x8") announced its financial results for the first quarter of its fiscal year ending March 31, 2006. A copy of 8x8's press release is attached hereto as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits.

99.1 Press Release dated July 27, 2005.

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 thereunto duly authorized.

Date: July 27, 2005

8X8, INC.

By: /s/ JAMES SULLIVAN

James Sullivan

Chief Financial Officer, Vice President of Finance and Secretary

INDEX TO EXHIBITS

<u>Exhibit</u>	<u>Description</u>
99.1*	Press release dated July 27, 2005

* Also provided in [PDF format](#) as a courtesy.



8X8 Announces First Quarter Fiscal 2006 Results

Quarterly Revenues Increase 54% over Prior Quarter and 191% over Prior Year Period

SANTA CLARA, Calif., -- July 27, 2005 -- 8x8, Inc. (NASDAQ:[EGHT](#)), provider of Packet8 broadband voice over internet protocol (VoIP) and videophone communications services, today announced financial results for its first quarter ended June 30, 2005.

Revenues for the first quarter of fiscal 2006 were \$6 million, compared with \$2.1 million for the same period of fiscal 2005 and \$3.9 million for the previous quarter. The net loss for the quarter was \$5.1 million, or \$0.10 per share, compared with a net loss of \$7 million, or \$0.14 per share, for the previous quarter and a net loss of \$2.6 million or \$0.07 per share for the same period last year.

Total revenues for the Company's Packet8 VoIP service and related equipment sales increased to \$5.7 million for the first quarter of fiscal 2006, compared with \$3.8 million for the fourth quarter of fiscal 2005, an increase of 50%. As of June 30, 2005, the Company had approximately 73,000 Packet8 subscriber lines in service as compared to approximately 57,000 on March 31, 2005, a 28% increase.

At the end of the first quarter of fiscal 2006, 8x8's balance sheet, including cash and cash equivalents, short-term investments and restricted cash, totaled \$24.9 million. During the quarter, the Company made significant inventory purchases in anticipation of demand and expenditures related to the Company's successful compliance with the internal control reporting requirements of section 404 of the Sarbanes Oxley Act for fiscal 2005.

"8x8 revenues are up for the sixth consecutive quarter and are at their highest quarterly level since 2000," said Bryan R. Martin, 8x8's Chairman & CEO. "We have seen significant growth in all areas of our business, particularly the Packet8 VideoPhone and Virtual Office services, both of which offer unique and compelling price and feature advantages for residential and small business customers. We are maintaining our focus on providing the best possible voice and video communication services to our base of loyal Packet8 subscribers, and believe that the growth of this customer base depends on the continued provision of unique, differentiated services and IP applications, attractive customer value propositions and outstanding customer support."

About 8x8, Inc.

8x8, Inc. offers the Packet8 (<http://www.packet8.net/>) VoIP (voice over internet protocol) telephone and videophone communications service and the Packet8 Virtual Office service. For additional company information, visit 8x8's web site at <http://www.8x8.com/>.

Forward Looking Statements

This news release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include, without limitation, statements relating to demand for our Packet8 service and our ability to successfully introduce and support new features and products for our Packet8 service. Investors are cautioned that these statements involve risks and uncertainties, and actual results could be materially different from those discussed in this news release. These risks include the risk that demand for our Packet8 products may be less than we anticipated or that we may not be able to introduce and support new features or products at all. Further information on factors that could affect the actual results of 8x8, Inc. are included in 8x8, Inc.'s Annual Report on Form 10-K for the year ended March 31, 2005, which is on file with the Securities and Exchange Commission. 8x8 does not assume any obligation to revise or update any forward-looking statements contained in this press release that become untrue because of subsequent events.

NOTE: 8x8, the 8x8 logo, Packet8, the Packet8 logo and Packet8 Virtual Office are trademarks of 8x8, Inc. All other trademarks are the property of their respective owners.

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MEDIA RELATIONS CONTACT:

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Financial Tables To Follow

8x8, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts; unaudited)

	Three Months Ended June 30,	
	2005	2004
Product revenues.....	\$ 1,009	\$ 596
License and service revenues.....	4,996	1,471
Total revenues.....	6,005	2,067
Operating expenses:		
Cost of product revenues.....	2,105	912
Cost of license and service revenues.....	2,069	879
Research and development.....	1,324	577
Selling, general and administrative.....	5,865	2,512
Total operating expenses.....	11,363	4,880
Loss from operations.....	(5,358)	(2,813)
Other income, net.....	222	244
Net loss.....	\$ (5,136)	\$ (2,569)
Net loss per share:		
Basic and diluted.....	\$ (0.10)	\$ (0.07)
Weighted average number of shares:		
Basic and diluted.....	53,823	38,690

8x8, Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, unaudited)

	June 30, 2005	March 31, 2005
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ASSETS		
Current assets:		
Cash and cash equivalents.....	\$ 13,442	\$ 22,515
Restricted cash.....	250	250
Short term investments.....	11,175	9,035
Accounts receivable, net.....	460	1,144
Inventory.....	2,209	1,600
Other current assets.....	2,264	2,485
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Total current assets.....	29,800	37,029
Property and equipment, net.....	2,071	1,788
Other assets.....	262	263
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	\$ 32,133	\$ 39,080
	=====	=====
 LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable.....	\$ 3,218	\$ 4,496
Accrued compensation.....	564	515
Accrued warranty.....	230	187
Deferred revenue.....	1,695	2,602
Other accrued liabilities.....	1,680	1,536
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Total current liabilities.....	7,387	9,336
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Other liabilities.....	78	--
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Total stockholders' equity.....	24,668	29,744
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	\$ 32,133	\$ 39,080
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