
FORM 6-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Report of Foreign Private Issuer

**Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934**

For the Month of July, 2004

AUDIOCODES LTD.

(Translation of registrant's name into English)

1 Hayarden Street, Airport City, Lod 70151 • ISRAEL

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F ☒

Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ☐

No ☒

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82

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On July 20, 2004, AudioCodes Ltd. (the “Company”) issued a press release announcing revenues and net income for the second quarter of 2004 and other recent developments. A copy of this press release is annexed hereto as Exhibit 1.

The following document is attached hereto and incorporated by reference herein:

Exhibit 1. Press Release, dated July 20, 2004, announcing revenues and net income for the second quarter of 2004 and other recent developments.

The information set forth in the second, third and fourth paragraphs of, and the consolidated balance sheet and consolidated statements of operations data contained in, the press release attached as Exhibit 1 to this Report on Form 6-K, is hereby incorporated by reference into (i) the Registrant’s Registration Statement on Form S-8, Registration No. 333-11894; (ii) the Registrant’s Registration Statement on Form S-8, Registration No. 333-13268; (iii) the Registrant’s Registration Statement on Form S-8, Registration No. 333-13378; and (iv) the Registrant’s Registration Statement on Form S-8, Registration No. 333-105473.

SIGNATURE

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.

AUDIOCODES LTD.
(Registrant)

By: /s/ Nachum Falek
 Nachum Falek
 Vice President Finance and
 Chief Financial Officer

Dated: July 21, 2004

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
1.	Press Release, dated July 20, 2004, announcing revenues and net income for the second quarter of 2004 and other recent developments.

NEWS RELEASE

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AudioCodes Reports Second Quarter 2004 Results

Quarterly Revenues Rise 25% Sequentially and 82% Year over Year

Lod, Israel – July 20, 2004 – AudioCodes (NASDAQ: AUDC), a leading provider of Voice over Packet (VoP) technologies and Voice Network products, today announced financial results for the second quarter ended June 30, 2004.

Revenues for the second quarter ended June 30, 2004 were \$19.1 million compared to \$15.3 million for the quarter ended March 31, 2004 and \$10.5 million for the quarter ended June 30, 2003. Second quarter revenues grew 25% sequentially and increased 82% compared to the second quarter of 2003. Net income for the second quarter of 2004 was \$839,000, or \$0.02 basic and diluted earnings per share, compared to a net loss of \$2.2 million, or \$(0.06) basic and diluted loss per share, for the corresponding period last year.

Revenues for the six months ended June 30, 2004 were \$34.4 million compared to \$18.9 million for the first six months of 2003. Net income for the six months ended June 30, 2004 was \$796,000, or \$0.02 basic and diluted earnings per share, compared to a net loss of \$4.7 million, or \$(0.13) basic and diluted loss per share, for the first six months of 2003.

Cash, cash equivalents, short-term bank deposits, long-term bank deposits and structured notes were \$90.6 million as of June 30, 2004 compared to \$100.8 million as of March 31, 2004 and \$103.4 million as of June 30, 2003.

“The second quarter of 2004 marked an important milestone as AudioCodes reported positive operating and net income and registered its eleventh consecutive quarter of revenue growth,” said Shabtai Adlersberg, President, Chairman and CEO of AudioCodes. “This quarter we experienced continued strong telecom market demand and RFP activity for VoIP network solutions. With our maturing and advanced gateway and media server product portfolio now representing about 40% of our revenues, we enjoyed increased sales and new market opportunities with leading telecom OEMs and system integrators. This quarter also marks our first entry into the VoIP over cable market as our media gateway gained qualification from CableLabs[®]. The acquisition of Ai-Logix during the second quarter provides AudioCodes with yet another complementary business driver in the enabling technologies market as we expanded our presence into the call logging and recording market segments, which are now experiencing transition to VoIP. As voice over packet network deployments continue to gain momentum worldwide, AudioCodes remains well positioned to capitalize on the shift towards IP-based architectures and gain market share in this growing market.”

Conference Call & Webcast Information

AudioCodes will conduct a conference call on July 21, 2004 to discuss the second quarter 2004 financial results, which will be simultaneously Webcast at 9:00 A.M. Eastern Time. Investors are invited to listen to the call live via Webcast at the AudioCodes corporate Website at <http://www.audiocodes.com>.

About AudioCodes

AudioCodes Ltd. (NASDAQ: AUDC) enables the new voice infrastructure by providing innovative, reliable and cost-effective Voice over Packet technology and Voice Network products to OEMs, network equipment providers and system integrators. AudioCodes provides its customers and partners with a diverse range of flexible, comprehensive media gateway and media processing technologies, based on VoIPerfect[™] – AudioCodes' underlying, best-of-breed, core media gateway architecture. The company is a market leader in voice compression technology and is a key originator of the ITU G.723.1 standard for the emerging Voice over IP market. AudioCodes voice network

products feature media gateway and media server platforms for packet-based applications in the wireline, wireless, broadband access, and enhanced voice services markets.

AudioCodes enabling technology products include VoIP and CTI communication boards, VoIP media gateway processors and modules, and CPE devices. Its customers include the leading telecom and data network equipment providers globally. AudioCodes'

international headquarters and R&D facilities are located in Israel, with U.S. headquarters in San Jose, California. Additional offices are in Boston, Chicago, Beijing, Tokyo, Paris and London. For more information on AudioCodes, visit <http://www.audiocodes.com> or call +1 (408) 577-0488.

Statements concerning AudioCodes' business outlook or future economic performance; product introductions and plans and objectives related thereto; and statements concerning assumptions made or expectations as to any future events, conditions, performance or other matters, are "forward-looking statements" as that term is defined under U.S. Federal securities laws. Forward-looking statements are subject to various risks, uncertainties and other factors that could cause actual results to differ materially from those stated in such statements. These risks, uncertainties and factors include, but are not limited to: the effect of global economic conditions in general and conditions in AudioCodes' industry and target markets in particular; shifts in supply and demand; market acceptance of new products and continuing products' demand; the impact of competitive products and pricing on AudioCodes' and its customers' products and markets; timely product and technology development/upgrades and the ability to manage changes in market conditions as needed; and other factors detailed in AudioCodes' filings with the Securities and Exchange Commission. AudioCodes assumes no obligation to update the information in this release.

AudioCodes, AC, Ardito, AudioCoded, NetCoder, TrunkPack, VoicePacketizer, MediaPack, Stretto, Mediant, VoIPerfect and IPmedia are trademarks or registered trademarks of AudioCodes Limited. All other products or trademarks are property of their respective owners.

Summary financial data follows

AUDIOCODES LTD.
CONDENSED CONSOLIDATED BALANCE SHEETS

U.S. dollars in thousands

	<u>June 30,</u> <u>2004</u> <u>(Unaudited)</u>	<u>December 31,</u> <u>2003</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents and short-term bank deposits	\$ 40,032	\$ 48,898
Trade receivables	10,140	7,717
Other receivables and prepaid expenses	3,441	2,972
Inventories	7,476	4,667
Total current assets	<u>61,089</u>	<u>64,254</u>
SEVERANCE PAY FUND	<u>3,755</u>	<u>3,618</u>
LONG-TERM BANK DEPOSITS AND STRUCTURED NOTES	<u>50,605</u>	<u>50,270</u>
INVESTMENTS	<u>522</u>	<u>491</u>
FIXED ASSETS, NET	<u>6,308</u>	<u>4,564</u>
OTHER ASSETS	<u>13,003</u>	<u>5,333</u>
Total assets	<u><u>\$ 135,282</u></u>	<u><u>\$128,530</u></u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Trade payables	\$ 6,232	\$ 4,197
Other payables and accrued expenses	14,345	13,825
Total current liabilities	<u>20,577</u>	<u>18,022</u>
ACCRUED SEVERANCE PAY	<u>4,146</u>	<u>3,990</u>
Total shareholders' equity	<u>110,559</u>	<u>106,518</u>
Total liabilities and shareholders' equity	<u><u>\$ 135,282</u></u>	<u><u>\$ 128,530</u></u>

AUDIOCODES LTD.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

U.S. dollars in thousands, except per share data

	Six months ended		Three months ended	
	June 30,		June 30,	
	2004	2003	2004	2003
	(Unaudited)		(Unaudited)	
Revenues	\$ 34,435	\$ 18,884	\$ 19,111	\$ 10,456
Cost of revenues	14,577	8,552	8,044	4,817
Gross profit	19,858	10,332	11,067	5,639
Operating expenses:				
Research and development, net	9,113	7,164	4,721	3,757
Selling and marketing	8,892	7,026	4,632	3,548
General and administrative	1,937	1,559	1,175	758
Total operating expenses	19,942	15,749	10,528	8,063
Operating income (loss)	(84)	(5,417)	539	(2,424)
Equity in losses of affiliated company	229	220	150	220
Financial income, net	1,153	907	494	455
Income (loss) before income taxes	840	(4,730)	883	(2,189)
Income taxes	44	-	44	-
Net income (loss)	\$ 796	\$ (4,730)	\$ 839	\$ (2,189)
Basic earnings (loss) per share	\$ 0.02	\$ (0.13)	\$ 0.02	\$ (0.06)
Diluted earnings (loss) per share	\$ 0.02	\$ (0.13)	\$ 0.02	\$ (0.06)
Number of shares used in computing basic earnings (loss) per share (in thousands)	38,203	37,370	38,356	37,398
Number of shares used in computing diluted earnings (loss) per share (in thousands)	42,330	37,370	42,064	37,398