

INFORMATICA CORP  
Form 10-K/A  
May 14, 2003

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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**Form 10-K/A**  
Amendment No. 1  
to

**þ ANNUAL REPORT PURSUANT TO SECTION 13  
OR 15(d) OF THE SECURITIES EXCHANGE ACT  
OF 1934**

For the fiscal year ended December 31, 2002

OR

**o TRANSITION REPORT PURSUANT TO SECTION  
13 OR 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934**

Commission File Number 0-25871

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**INFORMATICA CORPORATION**

*(Exact name of registrant as specified in its charter)*

**Delaware**  
*(State or other jurisdiction of  
incorporation or organization)*

**2100 Seaport Boulevard  
Redwood City, California**  
*(Address of principal executive offices)*

**77-0333710**  
*(I.R.S. Employer  
Identification No.)*

**94063**  
*(Zip Code)*

**(650) 385-5000**

*(Registrant's Telephone Number, Including Area Code)*

**Securities Registered Pursuant to Section 12(b) of the Act: None**

**Securities Registered Pursuant to Section 12(g) of the Act:**

**Common Stock, par value \$0.001 per share**

**Preferred Share Purchase Rights, par value \$0.001 per share**

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 (the "Act") during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

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Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act). Yes  No

As of June 30, 2002, there were approximately 79,392,800 shares of the registrant's Common Stock outstanding. The aggregate market value of the Common Stock held by non-affiliates of the registrant (based on the closing price for the Common Stock on the Nasdaq National Market on June 28, 2002) was approximately \$304,184,213. Shares of the registrant's Common Stock held by each executive officer and director and by each entity that owns 5% or more of the registrant's Common Stock have been excluded in that such persons may be deemed to be affiliates. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

As of February 28, 2003, there were approximately 80,158,097 shares of the registrant's Common Stock outstanding.

**DOCUMENTS INCORPORATED BY REFERENCE**

Portions of the registrant's Proxy Statement for the registrant's 2003 Annual Meeting of Stockholders are incorporated by reference into Part III of this Form 10-K to the extent stated herein.

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**EXPLANATORY NOTE**

The purpose of this Amendment No. 1 is to revise certain pro forma information required by Statement of Financial Accounting Standards ( SFAS ) No. 123, *Accounting for Stock-Based Compensation* ( SFAS 123 ) and SFAS No. 148, *Accounting for Stock-Based Compensation Transition and Disclosure* ( SFAS 148 ) in Note 9 to the Consolidated Financial Statements of the registrant filed as part of Item 8 of the registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 2002. Specifically, this amendment corrects the pro forma numbers previously reported pursuant to SFAS 123 and SFAS 148 for the total stock-based compensation expense and the weighted-average fair value of options and shares granted for the years ended December 31, 2002 and 2001 and revises the presentation of the weighted-average expected life of the options.

THIS AMENDMENT DOES NOT CHANGE THE PREVIOUSLY REPORTED CONSOLIDATED FINANCIAL STATEMENTS.

Item 8 Financial Statements and Supplementary Data of Part II is hereby amended and restated in its entirety to read as follows:

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**Item 8. *Financial Statements and Supplementary Data***

**INDEX TO CONSOLIDATED FINANCIAL STATEMENTS**

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**REPORT OF ERNST & YOUNG LLP, INDEPENDENT AUDITORS**

The Board of Directors and Stockholders

Informatica Corporation

We have audited the accompanying consolidated balance sheets of Informatica Corporation as of December 31, 2002 and 2001, and the related consolidated statements of operations, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2002. Our audits also included the financial statement schedule listed in the Index at Item 15(a). These consolidated financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Informatica Corporation at December 31, 2002 and 2001, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2002, in conformity with accounting principles generally accepted in the United States. Also in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

/s/ ERNST & YOUNG LLP

Palo Alto, California  
January 20, 2003

**INFORMATICA CORPORATION**  
**CONSOLIDATED BALANCE SHEETS**

(in thousands, except share data)

	December 31,	
	2002	2001
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 122,490	\$ 131,264
Short-term investments	113,385	77,955
Accounts receivable, net of allowances of \$1,349 and \$2,295 in 2002 and 2001, respectively	29,982	29,131
Prepaid expenses and other current assets	8,680	7,061
	274,537	245,411
Total current assets	274,537	245,411
Restricted cash	12,166	12,166
Property and equipment, net	47,370	53,180
Goodwill, net	30,274	29,564
Intangible assets, net	517	1,657
Other assets	330	925
	365,194	342,903
Total assets	\$365,194	\$342,903
<b>LIABILITIES AND STOCKHOLDERS EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 2,269	\$ 2,934
Accrued liabilities	24,384	14,953
Accrued compensation and related expenses	12,666	15,848
Income taxes payable	2,064	2,874
Accrued restructuring charges	4,812	4,136
Deferred revenue	51,702	36,554
	97,897	77,299
Total current liabilities	97,897	77,299
Accrued restructuring charges, less current portion	14,894	5,196
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.001 par value; 2,000,000 shares authorized of which 200,000 shares have been designated as Series A preferred stock, \$0.001 par value, none issued and outstanding		
Common stock, \$0.001 par value; 200,000,000 shares authorized; 80,749,548 and 78,563,288 shares issued and outstanding at December 31, 2002 and 2001, respectively	348,631	342,335
Deferred stock-based compensation	(74)	(299)
Accumulated deficit	(97,994)	(82,380)
Accumulated other comprehensive income	1,840	752
	252,403	260,408
Total stockholders' equity	252,403	260,408
	365,194	342,903
Total liabilities and stockholders' equity	\$365,194	\$342,903

See accompanying notes to consolidated financial statements.



**INFORMATICA CORPORATION**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

(in thousands, except per share data)

	Year Ended December 31,		
	2002	2001	2000
Revenues:			
License	\$ 99,943	\$ 119,937	\$ 101,649
Service	95,498	80,208	54,953
	195,441	200,145	156,602
Cost of revenues:			
License	6,185	4,500	2,034
Service	39,246	42,539	31,009
	45,431	47,039	33,043
Gross profit	150,010	153,106	123,559
Operating expenses:			
Research and development	45,631	46,271	26,493
Sales and marketing	86,760	99,334	75,034
General and administrative	20,284	19,629	11,726
Amortization of stock-based compensation	221	1,036	1,514
Amortization of goodwill and other intangible assets	1,140	27,376	14,163
Purchased in-process research and development			8,648
Restructuring charges	17,030	12,096	
	171,066	205,742	137,578
Loss from operations	(21,056)	(52,636)	(14,019)
Interest income and other, net	6,420	8,971	4,306
Interest expense	(57)	(11)	(458)
	(14,693)	(43,676)	(10,171)
Loss before income taxes	(14,693)	(43,676)	(10,171)
Income tax provision	921	1,304	3,345
	(15,614)	(44,980)	(13,516)
Net loss	\$ (15,614)	\$ (44,980)	\$ (13,516)
Net loss per share:			
Basic and diluted	\$ (0.20)	\$ (0.58)	\$ (0.19)
Shares used in calculation of net loss per share:			
Basic and diluted	79,753	77,599	69,758

See accompanying notes to consolidated financial statements.

## INFORMATICA CORPORATION

## CONSOLIDATED STATEMENTS OF STOCKHOLDERS EQUITY

(in thousands, except share data)

	Common Stock		Notes Receivable	Deferred	Accumulated Deficit	Accumulated Other Comprehensive	Total Stockholders Equity
	Shares	Amount	From Stockholders	Stock-Based Compensation		Income (Loss)	
<b>Balances at December 31, 1999</b>	63,997,236	\$ 67,020	\$ (40)	\$ (2,888)	\$ (23,884)	\$ (84)	\$ 40,124
Components of comprehensive loss:							
Net loss					(13,516)		(13,516)
Foreign currency translation adjustment						386	386
Comprehensive loss							(13,130)
Issuance of common stock in connection with secondary public offering, net of offering costs	4,750,000	190,961					190,961
Issuance of common stock in connection with acquisitions	1,325,820	56,508					56,508
Repurchase of common stock	(1,600)	(3)					(3)
Common stock options exercised	4,549,257	10,575					10,575
Common stock issued under employee stock purchase plan	967,472	3,908					3,908
Repayment of notes receivable from stockholders			40				40
Deferred stock-based compensation		2,073		(2,073)			
Amortization of stock-based compensation				1,514			1,514
<b>Balances at December 31, 2000</b>	75,588,185	331,042		(3,447)	(37,400)	302	290,497
Components of comprehensive loss:							
Net loss					(44,980)		(44,980)
Foreign currency translation adjustment						32	32
Unrealized gains on investments						418	418
Comprehensive loss							(44,530)
Issuance of common stock in connection with acquisitions	93,704	2,359					2,359
Common stock options exercised	1,936,001	5,334					5,334
Common stock issued under employee stock purchase plan	945,398	5,712					5,712
Deferred stock-based compensation adjustments		(2,112)		2,112			
Amortization of stock-based compensation				1,036			1,036
<b>Balances at December 31, 2001</b>	78,563,288	342,335		(299)	(82,380)	752	260,408
Components of comprehensive loss:							
Net loss					(15,614)		(15,614)
Foreign currency translation adjustment						783	783
Unrealized gains on investments							