

ACI WORLDWIDE, INC.
Form 10-Q
February 19, 2008

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended

or

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

For the transition period from October 1, 2007 to December 31, 2007

Commission File Number 0-25346

ACI WORLDWIDE, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

47-0772104

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

120 Broadway, Suite 3350

New York, New York 10271

(Address of principal executive offices,
including zip code)

(646) 348-6700

(Registrant's telephone number,
including area code)

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 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 ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒

Accelerated filer ☐

Non-accelerated filer ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

As of February 15, 2008, there were 35,953,352 shares of the registrant's common stock outstanding.

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ACI WORLDWIDE, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(in thousands, except share amounts)

	December 31, 2007 (unaudited)	September 30, 2007
ASSETS		
Current assets		
Cash and cash equivalents	\$ 97,011	\$ 60,794
Billed receivables, net of allowances of \$1,723 and \$2,041	87,932	70,384
Accrued receivables	11,132	11,955
Deferred income taxes, net	5,374	7,088
Recoverable income taxes	6,033	3,852
Prepaid expenses	9,803	10,572
Other current assets	8,399	7,233
Total current assets	225,684	171,878
Property, plant and equipment, net	19,503	19,356
Software, net	31,430	31,764
Goodwill	206,770	205,715
Other intangible assets, net	38,088	39,685
Deferred income taxes, net	31,283	24,315
Other assets	17,700	14,028
TOTAL ASSETS	\$ 570,458	\$ 506,741
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 16,351	\$ 14,677
Accrued employee compensation	22,659	22,625
Deferred revenue	115,519	97,042
Income taxes payable		2,251
Accrued and other current liabilities	32,323	17,925
Total current liabilities	186,852	154,520
Deferred revenue	27,253	30,280
Note payable under credit facility	75,000	75,000
Deferred income taxes, net	3,245	3,265
Other noncurrent liabilities	37,069	18,664
Total liabilities	329,419	281,729
Commitments and contingencies		
Stockholders' equity		
Preferred stock, \$0.01 par value; 5,000,000 shares authorized; no shares issued and outstanding at December 31, 2007 and September 30, 2007, respectively		
Common stock; \$0.005 par value; 70,000,000 shares authorized; 40,821,516 shares issued at December 31, 2007 and September 30, 2007	204	204
Common stock warrants	24,003	