

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K/A

Current report filing [amend]

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FILER

BANCTEC INC

CIK: **318378** | IRS No.: **751559633** | State of Incorpor.: **DE** | Fiscal Year End: **1231**
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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K/A

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Act of 1934

Date of Report (date of earliest event reported): **November 27, 2002**

BANCTEC, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

75-1559633

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

0-9859

(Commission File Number)

2701 E. Grauwlyer Road Irving, Texas 75061

(Address of principal executive offices, including zip code)

(972-579-6000)

(Registrant's telephone number, including area code)

EXPLANATORY NOTE: This Amendment No. 1 on Form 8-K/A amends the Current Report on Form 8-K filed by BancTec, Inc. ("BTI") on November 27, 2002. This Amendment No. 1 is filed solely for the purpose of including Exhibit 99.1, pro-forma financial information regarding the sale of its wholly owned subsidiary, BancTec Japan ("BTJ"), disclosed in the Current Report on Form 8-K filed November 27, 2002.

ITEM 2. ACQUISITION OR DISPOSITION OF ASSETS

On November 27, 2002, BancTec, Inc. ("BTI") completed the sale (the "Sale") of its wholly owned subsidiary, BancTec Japan ("BTJ"), to JAFCO MBO Co., Ltd. ("JAFCO") pursuant to a Stock Purchase Agreement dated as of November 27, 2002, between BTI and JAFCO (the "Stock Purchase Agreement"). The Sale involved two separate transactions: (1) the purchase by JAFCO of 100% of the outstanding shares of BTJ for 6.5 billion Japanese Yen, and (2) a one-time, up-front payment by BTJ to BTI of 4.0 billion Japanese Yen under certain distribution and licensing agreements. Under such agreements, BTJ will continue to supply BancTec products and services in its markets, and will continue to operate under the name "BancTec Japan". After foreign currency conversions and transaction costs, BTI received approximately US \$82.5 million in aggregate net proceeds.

The foregoing summary does not purport to be a complete statement of the terms of the Sale, and is qualified in its entirety by reference to the Stock Purchase Agreement, which has been filed as Exhibit 10.1 to the Current Report on Form 8-K dated December 12, 2002, and is incorporated herein by this reference.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS

- a) Not applicable.
- b) The unaudited pro forma consolidated financial information filed as Exhibit 99.1 illustrates the effect that BTI's Sale of BTJ would have had on the BTI's financial statements if the transaction had been consummated at an earlier date.
 - 1. Pro forma consolidated balance sheet as of September 30, 2002
 - 2. Notes to pro forma consolidated balance sheet
 - 3. Pro forma consolidated statement of income for the year ended December 31, 2001
 - 4. Pro forma consolidated statement of income for the nine-month period ended September 30, 2002
 - 5. Notes to pro forma consolidated statements of income

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c) Exhibits

- 99.1 Unaudited Pro Forma Consolidated Balance Sheet as of September 30, 2002
Notes to Pro Forma Consolidated Balance Sheet
Unaudited Pro Forma Consolidated Statement of Income for the year ended December 31, 2001
Unaudited Pro Forma Consolidated Statement of Income for the nine-month period ended September 30, 2002
Notes to Pro Forma Consolidated Statements of Income

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 hereunto duly authorized.

BANCTEC, INC.

Date of Report: February 10, 2003

By: /s/ Brian R. Stone
Brian R. Stone
Senior Vice President and
Chief Financial Officer

EXHIBITS INDEX

**Exhibit
Number**

Description

99.1 Unaudited Pro Forma Consolidated Balance Sheet as of September 30, 2002
Notes to Pro Forma Consolidated Balance Sheet
Unaudited Pro Forma Consolidated Statement of Income for the year ended December 31, 2001
Unaudited Pro Forma Consolidated Statement of Income for the nine-month period ended September 30, 2002
Notes to Pro Forma Consolidated Statements of Income

EXHIBIT 99.1
PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

BANCTEC, INC., EXCLUDING BANCTEC JAPAN

The following pro forma consolidated financial information is based on the historical financial statements of BancTec, Inc. (“BTI”) and BancTec Japan (“BTJ”), and reflects the pro forma effects of the Sale of BTJ (“Sale”). Relevant information regarding the Sale, which became effective on November 27, 2002, was provided in Item 2 of this filing.

The pro forma consolidated balance sheet as of September 30, 2002, was prepared as if the Sale had occurred on that date. The pro forma consolidated statements of income for the year ended December 31, 2001, and the nine-month period ended September 30, 2002, were prepared as if the Sale had occurred on January 1, 2001. The deferral of any portion of the Sale proceeds has not been finally determined and such determination may change the ultimate financial results.

In the opinion of management, the pro forma financial information presented is not necessarily indicative of the results that would have occurred for the periods presented. The pro forma financial information should be read in conjunction with the historical financial statements of BTI for the year ended December 31, 2001.

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BANCTEC, INC., EXCLUDING BANCTEC JAPAN
PRO FORMA CONSOLIDATED BALANCE SHEET
AS OF SEPTEMBER 30, 2002
(UNAUDITED – AMOUNTS IN THOUSANDS)

	<u>BancTec, Inc.</u>	<u>Less BancTec Japan</u>		<u>Pro Forma Adjustments</u>	<u>Pro Forma Consolidated</u>
Current Assets:					
Cash and cash equivalents	\$ 33,417	\$ 4,811	(1)	\$	\$ 28,606
Accounts receivable	61,825	7,234	(2)	68	54,659
Inventories	40,891	9,104			31,787
Prepaid expenses	<u>8,056</u>	<u>1,961</u>			<u>6,095</u>
Total current assets	144,189	23,110		68	121,147
Property, Plant & Equipment, net	62,988	4,641			58,347
Goodwill	48,336				48,336
Other Assets	<u>20,472</u>	<u>6,437</u>	(2,3,4)	–	<u>14,035</u>
Total Assets	<u>\$ 275,985</u>	<u>\$ 34,188</u>		<u>\$ 68</u>	<u>\$ 241,865</u>
Current Liabilities:					
Revolving credit facilities	\$ 9,800	\$			\$ 9,800
Trade accounts payable	17,051	3,800	(2)	1,444	14,695
Other accrued expenses & liabilities	47,696	3,541			44,155
Deferred revenue	57,934	1,551			56,383
Income taxes	<u>2,666</u>	<u>45</u>			<u>2,621</u>
Total current liabilities	135,147	8,937		1,444	127,654

Long-Term Debt, less current maturities	299,173		(1)	(82,500)	216,673
Other Liabilities	38,040	4,835			33,205
Mandatory Redeemable Preferred Stock-Series A	14,343				14,343
Stockholders' Deficit:					
Series B convertible preferred	7,831				7,831
Common stock	170	2,279	(3)	2,279	170
Class A common	12				12
Subscription stock warrants	3,726				3,726
Additional paid-in capital	131,942	1,104	(3)	1,104	131,942
Accumulated deficit	(345,180)	17,595	(1,4)	78,303	(284,472)
Accumulated other comprehensive loss	(9,219)	(562)	(4)	(562)	(9,219)
Total stockholders' deficit	(210,718)	20,416		81,124	(150,010)
Total Liabilities & Stockholders' Deficit	<u>\$ 275,985</u>	<u>\$ 34,188</u>		<u>\$ 68</u>	<u>\$ 241,865</u>

The accompanying notes are an integral part of this financial statement

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BANCTEC, INC., EXCLUDING BANCTEC JAPAN
NOTES TO THE PRO FORMA CONSOLIDATED BALANCE SHEET
AS OF SEPTEMBER 30, 2002
(UNAUDITED – AMOUNTS IN THOUSANDS)

1. These adjustments reflect the receipt of net adjusted Sales proceeds totaling \$82,500, and the application of those proceeds in payment of the Subordinated Unsecured Sponsor Notes.
2. This adjustment represents the elimination of BTJ' s net intercompany balances owed to other BTI affiliates totaling \$1,376, which were included in BTJ' s accounts receivable and trade accounts payable balances as of September 30, 2002,
3. These adjustments reflect the elimination of BTJ' s common stock and additional paid-in capital balances as of September 30, 2002, since such balances were already properly eliminated in the BTI amounts.
4. This adjustment represents the elimination of BTJ' s accumulated retained earnings, which is already included in the BTI amount, and the addition of the gain associated with the Sale totaling \$60,708 (computed as of September 30, 2002).

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BANCTEC, INC., EXCLUDING BANCTEC JAPAN
PRO FORMA CONSOLIDATED STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2001
(UNAUDITED – AMOUNTS IN THOUSANDS)

	Less		
BancTec,	BancTec	Pro Forma	Pro Forma

	Inc.	Japan	Adjustments	Consolidated
Revenue				
Equipment and software	\$ 234,570	\$ 63,041	\$	\$ 171,529
Maintenance and other services	271,167	15,432		255,735
	<u>505,737</u>	<u>78,473</u>		<u>427,264</u>
Cost of Sales				
Equipment and software	192,105	39,661		152,444
Maintenance and other services	230,250	11,315		218,935
	<u>422,355</u>	<u>50,976</u>		<u>371,379</u>
Gross profit	83,382	27,497		55,885
Operating Expenses				
Product development	17,744	1,818		15,926
Selling, general and administrative	87,661	12,438		75,223
Goodwill amortization	3,215			3,215
	<u>108,620</u>	<u>14,256</u>		<u>94,364</u>
Income (loss) from operations	(25,238)	13,241		(38,479)
Other Income (Expense)				
Interest income	893	73		820
Interest expense	(35,548)	(21)	(5)	8,250
Sundry, net	21,491	563		20,928
	<u>(13,164)</u>	<u>615</u>	<u>8,250</u>	<u>(5,529)</u>
Income (Loss) from Continuing Operations				
Before Income Tax	(38,402)	13,856	8,250	(44,008)
Income Tax Expense	6,739	6,294		445
Income (Loss) from Continuing Operations	(45,141)	7,562	8,250	(44,453)
Loss from Discontinued Operation, Net of Tax	(685)			(685)
Net Income (Loss)	(45,826)	7,562	8,250	(45,138)
Preferred Stock Dividends and Accretion of				
Discount	(2,717)			(2,717)
Net Loss Applicable to Common Stock	<u>\$ (48,543)</u>	<u>\$ 7,562</u>	<u>\$ 8,250</u>	<u>\$ (47,855)</u>

The accompanying notes are an integral part of this financial statement

**BANCTEC, INC., EXCLUDING BANCTEC JAPAN
PRO FORMA CONSOLIDATED STATEMENT OF INCOME
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2002
(UNAUDITED – AMOUNTS IN THOUSANDS)**

	BancTec, Inc.	Less BancTec Japan	Pro Forma Adjustments	Pro Forma Consolidated
Revenue				
Equipment and software	\$ 142,254	\$ 40,446	\$	\$ 101,808
Maintenance and other services	197,277	11,234		186,043

	339,531	51,680		287,851
Cost of Sales				
Equipment and software	106,751	28,739		78,012
Maintenance and other services	145,652	8,443		137,209
	<u>252,403</u>	<u>37,182</u>		<u>215,221</u>
Gross profit	87,128	14,498		72,630
Operating Expenses				
Product development	11,770	448		11,322
Selling, general and administrative	53,097	9,861		43,236
	<u>64,867</u>	<u>10,309</u>		<u>54,558</u>
Income (loss) from operations	22,261	4,189		18,072
Other Income (Expense)				
Interest income	179	24		155
Interest expense	(22,636)	(20)	(5)	6,188
Sundry, net	4,534	16		4,518
	<u>(17,923)</u>	<u>20</u>	<u>6,188</u>	<u>(11,755)</u>
Income (Loss) from Continuing Operations Before				
Income Tax	4,338	4,209	6,188	6,317
Income Tax Expense	<u>3,546</u>	<u>1,802</u>		<u>1,744</u>
Net Income (Loss)	792	2,407	6,188	4,573
Preferred Stock Dividends and Accretion of				
Discount	(2,491)			(2,491)
Net Loss Applicable to Common Stock	<u>\$ (1,699)</u>	<u>\$ 2,407</u>	<u>\$ 6,188</u>	<u>\$ 2,082</u>

The accompanying notes are an integral part of this financial statement

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BANCTEC, INC., EXCLUDING BANCTEC JAPAN
NOTES TO THE PRO FORMA CONSOLIDATED STATEMENTS OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2001 AND
THE SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2002
(UNAUDITED – AMOUNTS IN THOUSANDS)

5. This adjustment represents a reduction of the interest expense that would have been incurred by BTI due to the assumed payoff of \$82,500 in Subordinated Unsecured Sponsor Notes at January 1, 2001.

In accordance with the SEC's guidelines for the preparation of pro forma income statement information, no pro forma adjustment has been included for the effect of any additional interest income that would have been earned by BTI. Likewise, no pro forma adjustment has been included for the effect of the gain associated with the Sale.

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