

SECURITIES AND EXCHANGE COMMISSION

FORM 6-K

Current report of foreign issuer pursuant to Rules 13a-16 and 15d-16 Amendments

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FILER

**PLANNING SCIENCES INTERNATIONAL PLC**

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SECURITIES AND EXCHANGE COMMISSION  
Washington D.C. 20549

FORM 6-K

REPORT OF FOREIGN ISSUER  
PURSUANT TO RULE 13a-16 OR 15d-16 OF THE  
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 1996

PLANNING SCIENCES INTERNATIONAL PLC

Tuition House  
St George's Road  
Wimbledon  
London SW19 4EU  
United Kingdom  
(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    X                      Form 40-F  
-----                                      -----

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                                      X  
-----                                      -----

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

82-    N.A.

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PLANNING SCIENCES INTERNATIONAL PLC  
Form 6-K

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PLANNING SCIENCES INTERNATIONAL PLC  
Condensed Consolidated Balance Sheets

<TABLE>  
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	September 30, 1996 (unaudited) US\$ <C>	December 31, 1995 (audited) US\$ <C>
	(in thousands)	
Assets		
Current assets:		
Cash and cash equivalents	26,264	2,280
Accounts receivable, net of allowances for doubtful accounts of \$273 at September 30, 1996 (December 31, 1995 - \$290)	6,486	4,001
Prepaid expenses and other current assets	832	381
Total current assets	33,582	6,662
Property and equipment, net	1,868	1,093
Goodwill on acquisition	3,407	-
Total assets	38,857	7,755
Liabilities and shareholders' equity		
Current liabilities:		
Bank overdraft	-	391
Current portion of lease obligations	186	84
Accounts payable	1,281	546
Taxes payable	1,278	310
Accrued liabilities	1,508	1,030
Deferred revenues	2,843	1,967
Other accounts payable	677	728
Total current liabilities	7,773	5,056
Non current liabilities:		
Deferred taxation	34	34
Long-term portion of lease obligations	228	175

Total liabilities	8,035	5,265
Shareholder's equity:		
Ordinary shares	2,027	1,565
Preference shares	-	-
Additional paid-in capital	27,085	715
Retained earnings	1,803	278
Minority interest	-	-
Cumulative translation adjustment	(93)	(68)
	-----	-----
Total shareholders' equity	30,822	2,490
	-----	-----
Total liabilities and shareholders' equity	38,857	7,755
	-----	-----

</TABLE>

See accompanying notes

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PLANNING SCIENCES INTERNATIONAL PLC  
Condensed Consolidated Statement of Operations  
(Unaudited)

<TABLE>  
<CAPTION>

	Three months ended		Nine months ended	
	September 30, 1996	September 30, 1995	September 30, 1996	September 30, 1995
	(in thousands, except per share amounts)			
	US\$ <C>	US\$ <C>	US\$ <C>	US\$ <C>
<S> Revenues:				
License	4,091	2,151	11,370	7,357
Services and other	2,327	1,728	6,355	4,627
	-----	-----	-----	-----
	6,418	3,879	17,725	11,984
	-----	-----	-----	-----
Cost of revenues				
License	388	63	599	148
Services and other	1,218	1,014	3,525	2,619
	-----	-----	-----	-----
	1,606	1,077	4,124	2,767
	-----	-----	-----	-----
Gross profit	4,812	2,802	13,601	9,217
Operating expenses				
Sales and marketing	2,405	1,310	6,786	4,083
Research and development	794	430	2,166	1,218
General and administrative	962	937	2,836	2,933
	-----	-----	-----	-----
Total operating expenses	4,161	2,677	11,788	8,234
	-----	-----	-----	-----

Income from operations	651	125	1,813	983
Other income (expense)	341	(21)	608	(88)
	-----	-----	-----	-----
Income before provision for taxes	992	104	2,421	895
Provision for income taxes	367	38	896	331
	-----	-----	-----	-----
Net income	625	66	1,525	564
	-----	-----	-----	-----
Net income per share	\$0.06	\$0.01	\$0.15	\$0.07
Weighted average shares outstanding	11,206	8,734	10,238	8,455

</TABLE>

See accompanying notes

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PLANNING SCIENCES INTERNATIONAL PLC  
Condensed Consolidated Statements of Cash Flows  
(Unaudited)

<TABLE>  
<CAPTION>

	Nine months ended	
	September 30,	September 30,
	1996	1995
	(in thousands)	
	US\$	US\$
	<C>	<C>
Cash flows from operating activities		
Net income	1,525	564
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	431	150
Provision for taxes	896	331
Goodwill	35	-
Changes in operating assets and liabilities		
Accounts receivable	(2,468)	(416)
Provision for bad debts	(17)	222
Supplies	-	46
Prepaid expenses and other receivables	(450)	(409)
Accounts payable	735	329
Accrued liabilities and other expenses	500	653
Deferred revenues	876	1,017
	-----	-----
Net cash provided by operating activities	2,063	2,487
	-----	-----
Cash flows from investing activities		
Cost of acquisitions	(2,852)	-
Purchases of assets	(936)	(541)
	-----	-----
Net cash used in investing activities	(3,788)	(541)
	-----	-----
Cash flows from financing activities		
Net proceeds on share issuance	26,242	-
Repayment of capital lease obligations	(117)	(5)
Increase (decrease) in bank overdraft	(391)	69
	-----	-----
Net cash provided by financing activities	25,734	64

Effect of exchange rate changes on cash	(25)	109
	-----	-----
Net increase in cash	23,984	2,119
Cash at beginning of period	2,280	43
	-----	-----
Cash at end of period	26,264	2,162
	=====	=====

</TABLE>

See accompanying notes

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PLANNING SCIENCES INTERNATIONAL PLC

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED)

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business  
-----

Planning Sciences International plc (the "Company") is incorporated in England and Wales. The Company develops, markets and supports high performance client/server decision support software for business planning and decision making. Its principal product is marketed under the name Gentia.

Basis of Presentation  
-----

The consolidated financial statements are stated in United States dollars and are prepared under United States generally accepted accounting principles.

Interim Financial Information  
-----

The financial information at September 30, 1996 and for the nine months ended September 30, 1996 and 1995 is unaudited but includes all adjustments which the Company considers necessary for a fair presentation of the financial position at such date and the operating results and cash flows for those periods. Results for the nine month period ended September 30, 1996 are not necessarily indicative of results that may be expected for the entire year. The condensed consolidated balance sheet at December 31, 1995 has been derived from the audited consolidated financial statements at that date. Certain information and footnote disclosures normally included in financial statements prepared in accordance with United States generally accepted accounting principles have been condensed or omitted pursuant to the Securities and Exchange Commission Rules and Regulations. These condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes for the nine months ended December 31, 1995 included in the Company's Registration Statement filed April 29, 1996.

Principles of Consolidation  
-----

The accompanying financial statements consolidate the accounts of the Company and its wholly and majority owned subsidiaries. All significant intercompany accounts and transactions have been eliminated.

## Foreign Exchange

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The consolidated balance sheets of the Company and its foreign subsidiaries are translated from their respective functional currencies to United States dollars at period-end exchange rates and the statements of operations and cash flows at average rates for the relevant periods. Gains and losses resulting from translation are accumulated as a separate component of shareholders' equity. Net gains and losses resulting from foreign exchange transactions, which are not material in any of the reporting periods, are included in the consolidated statement of operations.

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## PLANNING SCIENCES INTERNATIONAL PLC

### NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued) (UNAUDITED)

#### Per Share Information

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Net income per share information is computed based on the weighted average number of shares outstanding and dilutive share equivalents of outstanding share options using the treasury stock method. Net income per share is based upon the weighted average number of shares and equivalent shares outstanding during the period. Equivalent shares consist of share options and are excluded for the computation if their effect is anti-dilutive except that, pursuant to the Securities and Exchange Commission Staff Account Bulletins, shares and equivalent shares issued during the twelve month period ended March 12, 1996 have been included in the calculation as if they were outstanding for all periods through December 31, 1995 (using the treasury stock method for the options at the initial public offering price).

#### Reorganization of Share Capital

-----

Effective on April 29, 1996 the Company reorganized its authorized and issued share capital as follows: its Deferred shares of 5p each and its "B" shares of 5p each were converted into "A" shares of 5p each and all of its "A" shares of 5p each were consolidated and redesignated as Ordinary shares of 15p each on the basis of one Ordinary share for every three "A" shares. All shares and references thereto in these financial statements have been restated to show the effect of this reorganization.

## 2 ACQUISITION

In July 1996 the Company acquired the business goodwill from its exclusive distributor in Germany and commenced its own operations via a 100% subsidiary in Germany. In July 1996 the Company acquired the outstanding 10% capital held by third parties in Planning Sciences International BV, which manages the group distributors in Continental Europe. In September 1996, the Company acquired the entire issued capital of its distributors in Belgium, Netherlands and Luxembourg. The acquisitions above were all accounted for under the purchase method and resulted in the recording of approximately \$ 3.4 million in identified intangibles and goodwill. It is Company policy to amortize intangible assets and goodwill on a straight-line basis over their useful lives. The goodwill and intangible assets acquired in these transactions are being amortized over their useful life of 10 years.

## 3 INITIAL PUBLIC OFFERING

On April 30, 1996 the Company completed its initial public offering of 3,000,000 American Depositary Shares, representing 3,000,000 Ordinary shares at \$16.00 per share, of which 2,000,000 shares were sold by the Company and 1,000,000 shares were sold by selling shareholders.

#### 4 LITIGATION

The Company is involved in one legal action arising in relation to patents in the United States. While the outcome of this matter is currently not determinable, it is management's opinion that this matter will not have a material adverse effect on the Company's consolidated financial condition or results of its operations.

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#### PLANNING SCIENCES INTERNATIONAL PLC

Management's Discussion and Analysis of Financial Condition and Results of Operations for the three months ended September 30, 1996 and 1995, and the nine months ended September 30, 1996 and 1995.

Three months ended September 30, 1996 and 1995.  
-----

##### Revenues -----

Revenues were \$6.4 million in the 3 months ended September 30, 1996, an increase of 65% compared to revenues of \$3.9 million for the 3 months ended September 30, 1995. License revenues were \$4.1 million in the 3 months ended September 30, 1996, an increase of 90% over license revenues of \$2.2 million for the 3 months ended September 30, 1995. Services and other revenues were \$2.3 million in the 3 months ended September 30, 1996, an increase of 35% compared to \$1.7 million for the 3 months ended September 30, 1995. The increase in revenues reflected both increased sales of the Company's Gentia product as well as increased consulting and maintenance services related thereto.

##### Gross Profit -----

Gross profit was \$4.8 million or 75% for the 3 months ended September 30, 1996, compared to \$2.8 million or 72% for the 3 months ended September 30, 1995. The increase in Gross Profit was primarily due to a higher proportion of license revenue in the three months ended September 30, 1996.

##### Sales and Marketing -----

Sales and marketing costs were \$2.4 million in the 3 months ended September 30, 1996, an increase of 84% compared to \$1.3 million in the 3 months ended September 30, 1995. The increase in dollar expenditure reflects the Company's increased investment in its sales and marketing organization. The Company expects these expenses will continue to increase as a result of its continued investment in its sales and marketing organization. In particular, the Company is expanding its geographic coverage and will continue to do so.

##### Research and Development -----

Research and development costs were \$794,000 in the 3 months ended September 30, 1996, an increase of 85% compared to \$430,000 in the 3 months ended September 30, 1995. The increase is primarily as a result of hiring additional personnel to continue the Company's development program. It is the Company's intention to accelerate its expenditure on research and development of new products when it considers it appropriate to do so. The Company's research and development centre is located in Ipswich, England and related expenditure was therefore incurred



predominantly in pounds sterling.

#### General and Administrative

-----

General and administrative costs were \$962,000 in the 3 months ended September 30, 1996, an increase of 3% compared to \$937,000 in the 3 months ended September 30, 1995.

#### PLANNING SCIENCES INTERNATIONAL PLC

Management's Discussion and Analysis of Financial Condition and Results of Operations for the three months ended September 30, 1996 and 1995. (Continued)

#### Other Income (expenses)

-----

Other income was \$341,000 in the 3 months ended September 30, 1996 compared to an expense of \$21,000 in the 3 months ended September 30, 1995. The additional income was primarily due to significant interest income received due to the Company's Initial Public Offering completed on April 30, 1996.

Nine months ended September 30, 1996 and 1995

-----

#### Revenue

-----

Revenues were \$17.7 million in the nine months ended September 30, 1996, an increase of 48% compared to revenues of \$12.0 million for the nine months ended September 30, 1995. License revenues were \$11.4 million in the nine months ended September 30, 1996, an increase of 55% over license revenues of \$7.4 million for the nine months ended September 30, 1995. Services and other revenues were \$6.4 million in the nine months ended September 30, 1996, an increase of 37% compared to \$4.6 million for the nine months ended September 30, 1995. The increase in revenues reflected both increased sales of the Company's Gentia product as well as increased consulting and maintenance services related thereto.

#### Gross Profit

-----

Gross profit was \$13.6 million or 77% for the nine months ended September 30, 1996, compared to \$9.2 million or 77% for the nine months ended September 30, 1995.

#### Sales and Marketing

-----

Sales and marketing costs were \$6.8 million in the nine months ended September 30, 1996, an increase of 66% compared to \$4.1 million in the nine months ended September 30, 1995. This increase in dollar expenditure reflects the Company's increased investment in its sales and marketing organization. The Company expects these expenses will continue to increase as a result of its continued investment in its sales and marketing organization.

#### Research and Development

-----

Research and development costs were \$2.2 million in the nine months ended September 30, 1996, an increase of 78% compared to \$1.2 million in the nine months ended September 30, 1995. The increase is primarily as a result of hiring additional personnel to continue the Company's development program. The Company's research and development centre is located in Ipswich, England and related expenditure was therefore incurred predominantly in pounds sterling.

General and Administrative

-----

General and administrative costs were \$2.8 million in the nine months ended September 30, 1996, a decrease of 3% compared to \$2.9 million in the nine months ended September 30, 1995. The Company expects general and administrative expenditures to increase in absolute dollar terms in 1996.

Other Income (Expenses)

-----

Other income was \$608,000 in the nine months ended September 30, 1996 compared to an expense of \$88,000 in the nine months ended September 30, 1995. The additional income was primarily due to additional interest income received from the Company's Initial Public Offering completed on April 30, 1996.

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Liquidity and Capital Resources

-----

As of September 30, 1996, the Company had cash and cash equivalents of \$26.3m.

Accounts receivable at September 30, 1996 were \$6.5m, an increase of 62% compared to December 31, 1995 reflecting the continuing growth of the Company's business. In the nine months ended September 30, 1996, the Company's operating activities generated cash of \$ 2.1 million compared to \$ 2.5 million in the nine months ended September 30, 1995. The reduction was primarily due to an increase in accounts receivable.

Investing activities consumed \$ 3.8 million in the nine months ended September 30, 1996 compared to \$ 541,000 in the nine months ended September 30, 1995. The increase was due to the acquisition costs of the European and South African businesses together with additional assets purchased.

Financing activities generated \$ 25.7 million in the nine months ended September 30, 1996 compared to \$ 64,000 in the nine months ended September 30, 1995. The increase arising primarily because of the receipt of the proceeds from the Initial Public Offering completed on April 30, 1996.

The Company believes that existing cash, cash equivalents and cash generated by operations will be sufficient to meet the Company's working capital needs and currently planned capital expenditure requirements for the next twelve months.

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The information contained in Exhibit 1 hereto, consisting of the registrant's unaudited financial statements for the nine months ended September 30, 1996, has been distributed to its security holders and is furnished to the Commission pursuant to Rule 13a-16 under the Securities Act of 1934, as amended (the "Act"). This report and the information furnished herewith shall not be deemed to be "filed" for the purposes of Section 18 of the Act or otherwise subject to the liabilities of that section.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused the Report to be signed on its behalf by the undersigned, thereunto duly authorized.

PLANNING SCIENCES

By: [Signature of Anthony K. Fox]

-----  
Anthony K. Fox  
Chief Financial Officer

Date: November 7, 1996

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EXHIBIT A

Third Quarter Press Release

PLANNING SCIENCES INTERNATIONAL REPORTS RECORD REVENUES, TENFOLD INCREASE IN NET INCOME

LONDON, November 7, 1996 - Planning Sciences International (Nasdaq: PLNSY) the international supplier of software for business planning and decision making, today reported record net income of \$625,000, or \$0.06 per share, and record revenues of \$6.4 million in the third quarter of 1996.

The comparable totals for the third quarter of 1995 were net income of \$66,000, or \$0.01 per share, and revenues of \$3.9 million. Primarily as the result of an April 1996 initial public offering, the weighted average number of shares outstanding was 11.2 million in this year's third quarter, 8.7 million in the third quarter of 1995.

In the nine months ending on September 30, 1996, Planning Sciences International had net income of \$1.5 million, or \$0.15 per share, and revenues of \$17.7 million. This compares with net income of \$564,000, or \$0.07 per share, and revenues of \$12.0 million in the first three quarters of last year.

Paul Rolph, Chairman and Chief Executive Officer, noted that license revenue associated with the company's Gentia software was 90% higher in this year's third quarter than in the comparable period of 1995.

"This is particularly gratifying in light of the fact that the summer months are traditionally the most challenging in our business," Mr Rolph said. "It further demonstrates the competitive strength of our product and the increased market penetration that our sales and marketing organization is achieving worldwide."

Third quarter 1996 achievements by Planning Sciences International included:

- {bullet} An agreement under which Planning Sciences' on-line analytical processing (OLAP) technology is being integrated into the enterprise business software applications of the Baan Company.
- {bullet} Acquisition by Planning Sciences of its distributors in Germany and the Benelux countries.
- {bullet} Expansion of the Company's international distributor agreements in Europe, Asia and South America.

ABOUT THE COMPANY

Planning Sciences International plc, NASDAQ flotation April 30, 1996, focuses on the development of the Enterprise Decision Support System, Gentia. The global headquarters of the company is in London. Planning Sciences, Inc., has offices in Boston, Denver, Atlanta, Los Angeles and San Francisco, in the USA. The group also has offices in Australia, Hong Kong, South Africa, Belgium and the Netherlands.

Gentia is a high performance client/server decision support system for complex business analysis and reporting. Gentia applications are deployed using a distributed agent based architecture which ensures delivery of key information to the desktop of decision makers throughout an organization.

Gentia has more than 300 corporate and public sector clients including News International, Motorola, Barclays Bank, Volvo and Walt Disney.

Internet users can obtain further information on Planning Sciences via the Planning Sciences home page: <http://www.gentia.com>.

PLANNING SCIENCES INTERNATIONAL REPORTS RECORD REVENUES,  
TENFOLD INCREASE IN NET INCOME

This news release contains statements of a forward-looking nature relating to the financial performance of Planning Sciences International. Such statements are based upon the information available to management at this time, and they necessarily involve risk because actual results could differ materially from current expectations. Among the many factors that could cause actual results to differ from those set forth in the company's forward-looking statements are changes in general economic conditions, actions taken by customers or competitors, and the receipt of more or fewer orders than expected.

PLANNING SCIENCES INTERNATIONAL PLC  
Condensed Consolidated Statement of Operations  
(Unaudited)

<TABLE>  
<CAPTION>

	Three months ended		Nine months ended	
	September 30, 1996	September 30, 1995	September 30, 1996	September 30, 1995
	(in thousands, except per share amounts)			
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Cost of revenues				
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Current portion of lease obligations	186	84
Accounts payable	1,281	546
Taxes payable	1,278	310
Accrued liabilities	1,508	1,030
Deferred revenues	2,843	1,967
UK value added tax	(3)	373
Other accounts payable	680	355

Total current liabilities	7,773	5,056
Non current liabilities:		
Deferred taxation	34	34
Long-term portion of lease obligations	228	175
	-----	-----
Total liabilities	8,035	5,265
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