

Edgar Filing: EXFO ELECTRO OPTICAL ENGINEERING INC - Form 6-K

EXFO ELECTRO OPTICAL ENGINEERING INC  
Form 6-K  
October 01, 2002

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

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13A-16 OR 15D-16  
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of September, 2002

EXFO ELECTRO-OPTICAL ENGINEERING INC.  
(Translation of registrant's name into English)

465 GODIN AVENUE, VANIER, QUEBEC, CANADA G1M 3G7  
(Address of principal executive offices)

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

Form 20-F  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

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

On September 25, 2002, EXFO Electro-Optical Engineering Inc., a Canadian  
corporation, reported its results of operations for the fiscal quarter ended  
August 31, 2002. This report on Form 6-K sets forth the news release relating to  
EXFO's announcement and certain information relating to EXFO's financial  
condition and results of operations for the fourth fiscal quarter of the 2002  
fiscal year. The press release and certain information relating to EXFO's  
financial condition and results of operations for the fourth fiscal quarter of  
the 2002 fiscal year are hereby incorporated as a document by reference to Form  
F-3 (Registration Statement under the Securities Act of 1933) declared effective  
as of July 30, 2001 and to Form F-3 (Registration Statement under the Securities  
Act of 1933) declared effective as of March 11, 2002 and to amend certain  
material information as set forth in these two Forms F-3.

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## SIGNATURES

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.

EXFO ELECTRO-OPTICAL ENGINEERING INC.

By: /s/ Germain Lamonde

-----  
 Name: Germain Lamonde  
 Title: President and Chief  
           Executive Officer

Date: September 30, 2002

## EXFO ELECTRO-OPTICAL ENGINEERING INC. INTERIM CONSOLIDATED BALANCE SHEET

(in thousands of US dollars)

|  | AS AT AUGUST 31, |          |
|--|------------------|----------|
|  | 2001             | 2002     |
| <b>ASSETS</b>  |                  |          |
| <b>CURRENT ASSETS</b>  |                  |          |
| Cash and cash equivalents  | \$ 7,729         | \$ 9,128 |
| Short-term investments   | 66,861           | 40,553   |
| Accounts receivable  |                  |          |
| Trade, less allowance for doubtful<br>accounts of \$520 (\$893 as at<br>August 31, 2001) | 24,531           | 9,881    |
| Other  | 3,660            | 3,267    |
| Income taxes receivable  | --               | 13,473   |
| Inventories  | 44,345           | 23,822   |
| Prepaid expenses   | 1,265            | 1,280    |
| Future income taxes  | 1,423            | 1,272    |
|  | 149,814          | 102,676  |
| <b>INCOME TAXES RECEIVABLE</b>   | --               | 6,234    |
| <b>PROPERTY, PLANT AND EQUIPMENT</b>   | 27,140           | 26,246   |
| <b>INTANGIBLE ASSETS AND GOODWILL</b>  | 264,242          | 34,040   |
| <b>FUTURE INCOME TAXES</b>   | 1,381            | 8,730    |

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|  |            |            |
|--|------------|------------|
|  | -----      | -----      |
|  | \$ 442,577 | \$ 177,926 |
|  | =====      | =====      |
| LIABILITIES                              |            |            |
| CURRENT LIABILITIES                      |            |            |
| Accounts payable and accrued liabilities | \$ 16,180  | \$ 10,699  |
| Income taxes payable                     | 2,623      | --         |
| Deferred revenue                         | 616        | 503        |
| Current portion of long-term debt        | 106        | 100        |
|  | -----      | -----      |
|  | 19,525     | 11,302     |
| DEFERRED GRANTS                          | 1,002      | 654        |
| LONG-TERM DEBT                           | 664        | 564        |
| FUTURE INCOME TAXES                      | 6,581      | --         |
|  | -----      | -----      |
|  | 27,772     | 12,520     |
|  | -----      | -----      |
| SHAREHOLDERS' EQUITY                     |            |            |
| SHARE CAPITAL                            | 429,995    | 489,611    |
| CONTRIBUTED SURPLUS                      | 1,457      | 1,487      |
| CUMULATIVE TRANSLATION ADJUSTMENT        | (8,333)    | (8,854)    |
| DEFICIT                                  | (8,314)    | (316,838)  |
|  | -----      | -----      |
|  | 414,805    | 165,406    |
|  | -----      | -----      |
|  | \$ 442,577 | \$ 177,926 |
|  | =====      | =====      |

EXFO ELECTRO-OPTICAL ENGINEERING INC.  
INTERIM CONSOLIDATED STATEMENTS OF EARNINGS

(in thousands of US dollars, except share and per share data)

|                | THREE<br>MONTHS<br>ENDED<br>AUGUST 31,<br>2001 | TWELVE<br>MONTHS<br>ENDED<br>AUGUST 31,<br>2001 | THREE<br>MONTHS<br>ENDED<br>AUGUST 31,<br>2002 | TWELVE<br>MONTHS<br>ENDED<br>AUGUST 31,<br>2002 |
|----------------|--|---|--|---|
|                | -----  | -----   | -----  | -----   |
|                | (UNAUDITED)                                    |   | (UNAUDITED)                                    |   |
| SALES          | \$ 35,420                                      | \$ 146,013                                      | \$ 17,243                                      | \$ 68,330                                       |
| COST OF SALES* | 14,433   | 54,946  | 8,304  | 50,801  |

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|   |             |             |            |              |
|---|-------------|-------------|------------|--------------|
| GROSS MARGIN  | 20,987      | 91,067      | 8,939      | 17,529       |
| OPERATING EXPENSES  |             |             |            |              |
| Selling and administrative  | 12,077      | 46,236      | 7,119      | 35,446       |
| Net research and development  | 3,854       | 13,601      | 2,510      | 12,782       |
| Amortization of property, plant and equipment                                   | 1,296       | 3,559       | 1,553      | 5,932        |
| Amortization of intangible assets   | 4,003       | 9,876       | 1,639      | 11,615       |
| Write-down of intangible assets   | --          | --          | --         | 23,657       |
| Restructuring and other charges   | 3,288       | 3,288       | --         | 2,880        |
| TOTAL OPERATING EXPENSES  | 24,518      | 76,560      | 12,821     | 92,312       |
| EARNINGS (LOSS) FROM OPERATIONS   | (3,531)     | 14,507      | (3,882)    | (74,783)     |
| Interest income, net  | 727         | 6,098       | 217        | 1,456        |
| Foreign exchange gain (loss)  | 309         | 3,327       | 256        | (458)        |
| EARNINGS (LOSS) BEFORE INCOME TAXES AND AMORTIZATION AND WRITE-DOWN OF GOODWILL | (2,495)     | 23,932      | (3,409)    | (73,785)     |
| INCOME TAXES  |             |             |            |              |
| Current   | (912)       | 9,929       | (3,452)    | (12,054)     |
| Future  | 90          | (1,779)     | 2,321      | (13,397)     |
|   | (822)       | 8,150       | (1,131)    | (25,451)     |
| EARNINGS (LOSS) BEFORE AMORTIZATION AND WRITE-DOWN OF GOODWILL                  | (1,673)     | 15,782      | (2,278)    | (48,334)     |
| AMORTIZATION OF GOODWILL  | 12,520      | 31,076      | 690        | 38,021       |
| WRITE-DOWN OF GOODWILL  | --          | --          | --         | 222,169      |
| NET LOSS FOR THE PERIOD   | \$ (14,193) | \$ (15,294) | \$ (2,968) | \$ (308,524) |
| BASIC AND DILUTED EARNINGS (LOSS) PER SHARE                                     |             |             |            |              |
| Earnings (loss) before amortization and write-down of goodwill                  | \$ (0.03)   | \$ 0.30     | \$ (0.04)  | \$ (0.80)    |
| Net loss  | \$ (0.25)   | \$ (0.29)   | \$ (0.05)  | \$ (5.09)    |
| BASIC WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING (000'S)                     | 56,946      | 53,014      | 61,465     | 60,666       |
| DILUTED WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING (000'S)                   | 56,946      | 53,014      | 61,465     | 60,966       |

\* Including inventory write-offs of nil and \$18,463 for the three months and the twelve months ended August 31, 2002, respectively, nil in 2001.