

Edgar Filing: SPRINT CORP - Form 8-K

SPRINT CORP
Form 8-K
August 12, 2002

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported) August 9, 2002

SPRINT CORPORATION
(Exact name of Registrant as specified in its charter)

Kansas	1-04721	48-0457967
-----	-----	-----
(State of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

6200 Sprint Parkway, Overland Park, Kansas	66251
-----	-----
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (913) 624-3000

(Former name or former address, if changed since last report)

P. O. Box 11315, Kansas City, Missouri 64112

(Mailing address of principal executive offices)

Item 5. Other Events

Sprint Corporation (Sprint) adopted SFAS No. 142, "Goodwill and Other Intangible Assets" on January 1, 2002. This standard prescribes the accounting treatment for both identifiable intangibles and goodwill after initial recognition. Upon adoption of the standard, amortization of goodwill and indefinite life intangibles ceased and accumulated amortization as of December 31, 2001 reduced the carrying value of these assets. Periodic impairment testing of these assets is now required. Definite life intangibles continue to be amortized over their useful lives. Sprint identified spectrum licenses, which include related microwave relocation costs, and its trademark as indefinite life intangibles. Concurrent with adoption, Sprint evaluated for impairment its goodwill and indefinite life intangibles in accordance with the standard's guidance and

Edgar Filing: SPRINT CORP - Form 8-K

determined these assets were not impaired.

The following pro forma table adjusts net income (loss) and basic and diluted earnings (loss) per share in 2001, 2000 and 1999 to exclude amortization, net of any related tax effects on goodwill and indefinite lived intangibles.

Years Ended December 31,	Sprint Consolidated			FON Group			
	2001	2000	1999	2001	2000	1999	2000
Reported net income (loss)	\$(1,401)	\$ 93	\$(935)	\$ (147)	\$1,964	\$1,567	\$(1,000)
Add back:							
Goodwill amortization	126	150	141	1	26	26	1
Spectrum licenses amortization	69	76	59	16	23	6	1
Adjusted net income (loss)	(1,206)	319	(735)	(130)	2,013	1,599	(1,000)
Preferred stock dividends paid (received)	(7)	(7)	(8)	7	7	7	7
Adjusted earnings (loss) applicable to common stock	\$(1,213)	\$312	\$(743)	\$ (123)	\$2,020	\$1,606	\$(1,000)
Diluted earnings (loss) per share							
Reported diluted earnings (loss) per share				\$(0.16)	\$ 2.21	\$ 1.78	\$(1.00)
Add back:							
Goodwill amortization				-	0.03	0.03	0
Spectrum licenses amortization				0.02	0.02	-	0
Adjusted diluted earnings (loss) per share				\$(0.14)	\$ 2.26	\$ 1.81	\$(1.00)
Diluted weighted average shares outstanding				886.8	892.4	887.2	98
Basic earnings (loss) per share							
Reported basic earnings (loss) per share				\$(0.16)	\$ 2.24	\$ 1.81	\$(1.00)
Add back:							
Goodwill amortization				-	0.03	0.03	0
Spectrum licenses amortization				0.02	0.02	0.01	0
Adjusted basic earnings (loss) per share				\$(0.14)	\$ 2.29	\$ 1.85	\$(1.00)
Basic weighted average shares outstanding				886.8	880.9	868.0	98

Edgar Filing: SPRINT CORP - Form 8-K

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.

SPRINT CORPORATION

Date: August 9, 2002

By: /s/ Michael T. Hyde

Michael T. Hyde
Assistant Secretary