

DICE HOLDINGS, INC.
Form 10-Q
April 23, 2013
Table of Contents

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 March 31, 2013

☐ OR
☐ TRANSITION PERIOD PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

FOR THE TRANSITION PERIOD FROM _____ TO _____
Commission File Number: 001-33584

DICE HOLDINGS, INC.
(Exact name of Registrant as specified in its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

20-3179218
(I.R.S. Employer
Identification No.)

1040 Avenue of the Americas, 16thFloor
New York, New York
(Address of principal executive offices)
(212) 725-6550

10018
(Zip Code)

(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 has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☒ Non-accelerated filer ☐ Smaller Reporting Company ☐

Edgar Filing: DICE HOLDINGS, INC. - Form 10-Q

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 April 19, 2013, there were 59,871,660 shares of the registrant's common stock, par value \$.01 per share, outstanding.

Table of Contents

DICE HOLDINGS, INC.
TABLE OF CONTENTS

	Page
PART I. FINANCIAL INFORMATION	
Item 1. <u>Financial Statements</u>	<u>2</u>
Condensed Consolidated Balance Sheets as of March 31, 2013 and December 31, 2012	
Condensed Consolidated Statements of Operations for the three month periods ended March 31, 2013 and 2012	
Condensed Consolidated Statements of Comprehensive Income for the three month periods ended March 31, 2013 and 2012	
Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2013 and 2012	
Notes to Condensed Consolidated Financial Statements	
Item 2. <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>18</u>
Item 3. <u>Quantitative and Qualitative Disclosures About Market Risk</u>	<u>28</u>
Item 4. <u>Controls and Procedures</u>	<u>28</u>
PART II. OTHER INFORMATION	
Item 1. <u>Legal Proceedings</u>	<u>29</u>
Item 1A. <u>Risk Factors</u>	<u>29</u>
Item 2. <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>29</u>
Item 6. <u>Exhibits</u>	<u>31</u>
SIGNATURES	<u>32</u>
Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	
Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	
Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	
Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	

Table of Contents

PART I.

Item 1. Financial Statements

DICE HOLDINGS, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(unaudited)

(in thousands, except per share data)

	March 31, 2013	December 31, 2012
ASSETS		
Current assets		
Cash and cash equivalents	\$43,934	\$40,013
Investments	1,715	2,201
Accounts receivable, net of allowance for doubtful accounts of \$2,323 and \$2,095	26,231	29,030
Deferred income taxes—current	1,343	1,609
Prepaid and other current assets	4,344	3,084
Total current assets	77,567	75,937
Fixed assets, net	12,300	11,158
Acquired intangible assets, net	60,693	62,755
Goodwill	198,921	202,944
Deferred financing costs, net of accumulated amortization of \$192 and \$131	1,017	1,078
Other assets	326	358
Total assets	\$350,824	\$354,230
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued expenses	\$15,736	\$16,552
Deferred revenue	77,232	69,404
Current portion of acquisition related contingencies	4,950	4,926
Income taxes payable	3,961	3,817
Total current liabilities	101,879	94,699
Long-term debt	34,000	46,000
Deferred income taxes—non-current	13,674	14,414
Accrual for unrecognized tax benefits	2,306	2,502
Acquisition related contingencies	4,853	4,830
Other long-term liabilities	1,146	1,147
Total liabilities	157,858	163,592
Commitments and contingencies (Note 8)		
Stockholders' equity		
Convertible preferred stock, \$.01 par value, authorized 20,000 shares; no shares issued and outstanding	—	—
Common stock, \$.01 par value, authorized 240,000; issued 72,511 and 71,047 shares, respectively; outstanding: 59,875 and 58,958 shares, respectively	725	710
Additional paid-in capital	299,985	294,747
Accumulated other comprehensive loss	(14,076)	(9,294)
Accumulated earnings	23,661	16,586
Treasury stock, 12,636 and 12,090 shares, respectively	(117,329)	(112,111)
Total stockholders' equity	192,966	190,638
Total liabilities and stockholders' equity	\$350,824	\$354,230
See accompanying notes to condensed consolidated financial statements.		

Table of Contents

DICE HOLDINGS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(unaudited)

(in thousands, except per share amounts)

	Three Months Ended March 31,	
	2013	2012
Revenues	\$50,435	\$46,132
Operating expenses:		
Cost of revenues	5,118	3,127
Product development	5,433	3,162
Sales and marketing	16,601	16,570
General and administrative	8,423	6,287
Depreciation	1,657	1,251
Amortization of intangible assets	1,701	1,840
Change in acquisition related contingencies	47	—
Total operating expenses	38,980	32,237
Operating income	11,455	13,895
Interest expense	(375)	(317)
Interest income	14	12
Other expense	(5)	—
Income before income taxes		