

TERADATA CORP /DE/
Form 10-Q
November 05, 2018
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2018
OR

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

For the transition period from _____ to _____
Commission File Number 001-33458
TERADATA CORPORATION
(Exact name of registrant as specified in its charter)
Delaware 75-3236470
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)
17095 Via Del Campo
San Diego, California 92127

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (866) 548-8348

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 the definitions 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
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

At October 31, 2018, the registrant had approximately 118.2 million shares of common stock outstanding.

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Part 1—FINANCIAL INFORMATION

Item 1. Financial Statements.

Teradata Corporation

Condensed Consolidated Statements of Income (Unaudited)

	Three Months		Nine Months	
	Ended		Ended	
	September 30,		September 30,	
In millions, except per share amounts	2018	2017	2018	2017
Revenue				
Recurring	\$312	\$292	\$926	\$846
Perpetual software licenses and hardware	77	90	243	271
Consulting services	137	144	407	413
Total revenue	526	526	1,576	1,530
Cost of revenue				
Cost of recurring	93	84	271	223
Cost of perpetual software licenses and hardware	43	51	164	169
Cost of consulting services	126	141	404	421
Total cost of revenue	262	276	839	813
Gross profit	264	250	737	717
Operating expenses				
Selling, general and administrative expenses	166	161	481	481
Research and development expenses	84	80	236	228
Total operating expenses	250	241	717	709
Income from operations	14	9	20	8
Other expense, net				
Interest expense	(6)	(4)	(16)	(11)
Interest income	4	3	11	8
Other expense	(2)	(2)	(7)	(4)
Total other expense, net	(4)	(3)	(12)	(7)
Income before income taxes	10	6	8	1
Income tax benefit	(8)	(7)	(7)	(6)
Net income	\$18	\$13	\$15	\$7
Net income per weighted average common share				
Basic	\$0.15	\$0.11	\$0.13	\$0.05
Diluted	\$0.15	\$0.10	\$0.12	\$0.05
Weighted average common shares outstanding				