ACCELR8 TECHNOLOGY CORP
Form NT 10-K
October 29, 2002

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

FORM 12b-25

NOTIFICATION OF LATE FILING

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(Check One): [X]Form 10-K [ ]Form 20-F [ ]Form 11-K [ ]Form 10-Q
[ ]Form N-SAR

For Period Ended: July 31, 2002

[ ] Transition Report on Form 10-K
[ ] Transition Report on Form 20-F
[ ] Transition Report on Form 11-K
[ ] Transition Report on Form 10-Q
[ ] Transition Report on Form N-SAR

For the Transition Period Ended: Not Applicable.

Nothing in this Form shall be construed to imply that the Commission has verified any information contained herein.

If the notification relates to a portion of the filing checked above, identify the Item(s) to which the notification relates: Not Applicable

PART I--REGISTRANT INFORMATION

Accelr8 Technology Corporation

Full Name of Registrant

Former Name if Applicable

303 East Seventeenth Avenue, Suite 108

Address of Principal Executive Office (Street and Number)

Denver, Colorado 80203

City, State and Zip Code

PART II--RULES 12b-25 (b) AND (c)

If the subject report could not be filed without unreasonable effort or expense and the registrant seeks relief pursuant to Rule 12b-25(b), the following should be completed. (Check box if appropriate)

(a) The reasons described in reasonable detail in Part III of this form could not be eliminated without unreasonable effort or expense;

[X] (b) The subject annual report, semi-annual report, transition report on Form 10-K, Form 20-F, 11-K or Form N-SAR, or portion thereof will be filed on or before the fifteenth calendar day following the prescribed due date; or the subject quarterly report or transition report on Form 10-Q, or portion thereof will be filed on or before the fifth calendar day following the prescribed due date; and

(c) The accountant's statement or other exhibit required by Rule 12b-25(c) has been attached if applicable.

PART III--NARRATIVE

State below in reasonable detail the reasons why Forms 10-K, 20-F, 11-K, 10-Q, N-SAR, or the transition report or portion thereof, could not be filed within the prescribed period.

Among other reasons, the registrant is: (i) completing the documents necessary to reflect an agreement in principle to settle the Class Action lawsuit, (ii) completing a settlement agreement with the Agricultural Excess and Surplus Insurance Company ("AESIC") under which AESIC is expected to pay Accelr8 $825,000 in cash in full and complete settlement of all claims, and (iii) completing documentation necessary to reflect a settlement of the derivative action, under which that action will be dismissed with prejudice upon an exchange of releases, with no payments made by or on behalf of any of the defendants. The proposed settlement of the Class Action lawsuit is subject to court approval and will involve the payment of $450,000 in cash and the issuance of 375,000 shares of Accelr8's common stock if the court approves the settlement.

PART IV--OTHER INFORMATION

(1) Name and telephone number of person to contact in regard to this notification

Thomas V. Geimer	(303)	863-8088
(Name)	(Area Code)	(Telephone Number)

(2) Have all other periodic reports required under Section 13 or 15(d) of the Securities Exchange Act of 1934 or Section 30 of the Investment Company Act of 1940 during the preceding 12 months or for such shorter period that the registrant was required to file such report(s) been filed? If the answer is no, identify report(s).

[X] Yes [ ] No

(3) Is it anticipated that any significant change in results of operations from the corresponding period for the last fiscal year will be reflected by the earnings statements to be included in the subject report or portion thereof? [ ] Yes [X] No

If so, attach an explanation of the anticipated change, both narratively and quantitatively, and, if appropriate, state the reasons why a reasonable estimate of the results cannot be made.

Accelr8 Technology Corporation
(Name of Registrant as Specified in Charter)

has caused this notification to be signed on its behalf by the undersigned thereunto duly authorized.

Date: 10/29/2002

By: /s/ Thomas V. Geimer
Thomas V. Geimer, Chief Executive Officer and Chief Financial Officer

INSTRUCTION: The form may be signed by an executive officer of the registrant or by any other duly authorized representative. The name and title of the person signing the form shall be typed or printed beneath the signature. If the statement is signed on behalf of the registrant by an authorized representative (other than an executive officer), evidence of the representative's authority to sign on behalf of the registrant shall be filed with the form.

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as a % of sales
12.5 **10.8**

Net operating capital (NOC)
1,641 **1,702**

Number of employees (FTEs)
44,516 **42,977**

Business highlights

Philips announced a EUR 40 million investment at its global competence center for fluorescent lighting in Roosendaal, the Netherlands. This sum is to be invested in LCD backlighting technology, which is used to improve the picture quality of LCD widescreen televisions.

Philips and German company Novaleds achieved a new efficiency record for high-brightness white OLEDs (Organic Light-Emitting Diodes) a new solid-state lighting technology incorporating organic materials to create a diffuse, adaptable lighting environment.

In four major European countries, Philips launched a marketing campaign focused on Dynamic Lighting a new concept in office lighting designed to enhance well-being, motivation and performance in an office setting.

Financial performance

On a comparable basis, sales increased 4%, led by Lamps and Luminaires. Automotive, Special Lighting & UHP, suffering from a weakened market for consumer applications in North America, posted a 2% decline on a comparable basis. All regions showed comparable sales growth except North America.

Income from operations totaled EUR 120 million, a decrease of EUR 15 million compared with Q2 2004. The decrease was mainly attributable to additional R&D expenditure for LCD backlighting and solid-state lighting technologies.

Looking ahead

Markets for consumer applications in North America are expected to remain weak.

Strict cost control and optimization of supply chain management will remain a priority.

The division will continue to invest in innovative sectors via increased R&D and capital expenditures for solid-state lighting and LCD backlighting.

Semiconductors

Semiconductors: key data

in millions of euros unless otherwise stated

	Q2 2004	**Q2 2005**
Sales	1,161	**1,088**
Sales growth		
% nominal	32	**(6)**
% comparable	32	**(6)**
Income from operations	134	**27**
as a % of sales	11.5	**2.5**
Net operating capital (NOC)	3,034	**2,629**
Number of employees (FTEs)	33,448	**35,682**

Business highlights

The German government selected Philips to provide contactless smart-card chips for use in the country s smart passports.

Philips reaches milestone 15 million digital tuner chips sold worldwide for set-top boxes and digital television. This represents over 30% of the total number of tuner chips sold worldwide since 2003.

Semiconductors businesses regrouped into four units Automotive & Identification, Mobile & Personal, Home and MultiMarket Semiconductors to strengthen the division s customer orientation and respond to customer needs more effectively.

Philips and Microsoft announced a set of long-term non-exclusive agreements to facilitate the seamless flow of digital entertainment content between Windows®-based PCs and products equipped with Philips Nexperia® semiconductors.

Financial performance

Sales declined by 6% on both a nominal and comparable basis, as the last cycle peaked in Q2 2004. Sequentially, sales grew by 3% in US dollar terms.

At 1.00, the book-to-bill ratio at the end of Q2 was virtually unchanged from 1.01 at the end of Q1.

The utilization rate improved slightly from 75% in Q1 2005 to 77% in Q2, compared with 99% in Q2 2004.

The lower income from operations compared to Q2 2004 is attributable to lower sales activity, lower margins and a lower build-up of inventories, coupled with higher costs.

Compared to Q1 2005, income from operations was positively impacted by the higher sales activity and the stronger dollar.

Looking ahead

Mid-single-digit sequential growth in sales (in US dollar terms) is expected in Q3 2005.

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Other Activities

Other Activities: key data

in millions of euros unless otherwise stated

	Q2 2004	**Q2 2005**
Sales	868	**665**
Sales growth		
% nominal	18	**(23)**
% comparable	18	**(10)**
IFO Corporate Technology	(75)	**(44)**
IFO Corp. Investments and others	29	**(27)**
Income (loss) from operations	(46)	**(71)**
as a % of sales	(5.3)	**(10.7)**
Net operating capital (NOC)	359	**711**
Number of employees (FTEs)	28,823	**22,329**

Business highlights

Philips received four IDEA design awards from Business Week one Gold award, two Silver and one Bronze in particular for its Ambient Experience medical suite.

In China, Philips concluded its 120th DVD video player patent license agreement and its 20th DVD video recorder patent license agreement, signs of China s growing success in the global DVD market.

The New York Intellectual Property Law Association (NYIPLA) named Philips researchers Dr Karen Trovato and Dr Leo Dorst 2005 Inventor of the Year for their algorithm that optimizes computerized route-planning.

Financial performance Corporate Technology

Corporate Technology s income from operations improved by EUR 31 million compared with Q2 2004. Lower R&D spending, coupled with some incidentals, positively impacted the result, partly offset by restructuring charges of EUR 9 million.

Financial performance Corp. Investments/others

Corporate Investments income from operations deteriorated compared to Q2 2004 due to lower results for the operational businesses and restructuring charges of EUR 9 million.

Comparable sales at MDS declined 36% compared to Q2 2004, resulting in a loss from operations.

The income from operations of Optical Storage was impacted by high price pressure and additional license costs.

The deconsolidation of NAVTEQ also reduced income compared to Q2 2004.

Looking ahead

In Corporate Investments and MDS, sales are expected to remain under pressure in Q3 2005.

Restructuring charges of approximately EUR 15 million are expected in Q3 2005.

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Unallocated

Unallocated: key data

in millions of euros unless otherwise stated

	Q2 2004	**Q2 2005**
Corporate and regional overheads	(74)	**(87)**
Pensions/postretirement benefit costs	(24)	**(36)**
Global brand campaign		**(69)**
Income (loss) from operations	(98)	**(192)**
Number of employees (FTEs)	2,656	**2,500**

Business highlights

In India, Philips launched the DISHA project to make technology innovations in healthcare and lifestyle accessible and affordable to the less privileged.

Philips launched the second wave of its global brand campaign, which was extended to include Brazil, Spain, India and Russia.

Financial performance

For the sake of transparency, the total spend of the Philips Group related to the global brand campaign is now being reported under Global brand campaign . The financials for the product divisions in Q3 and Q4 2004 have been restated accordingly.

In Q2 2005 corporate and regional overheads income from operations included higher investments in projects enabling future cost reduction compared to Q2 2004 and Q1 2005.

Pension costs were EUR 12 million higher than in Q2 2004, mainly due to the release of an early-retirement provision in Q2 2004.

Looking ahead

Investments in the global brand are expected to be approximately EUR 20 million in Q3 2005.

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LG.Philips Displays joint venture (100%)

LG.Philips Displays joint venture (100%)

in millions of euros unless otherwise stated

	Q2 2004	**Q2 2005**
Sales	859	**588**
Sales growth		
% nominal	10	**(32)**
Income (loss) from operations	46	**(7)**
as a % of sales	5.4	**(1.2)**
Net income (loss) (100%)	9	**(22)**
Net income (loss) (Philips share = 50%)	4	**(11)**
Net operating capital (NOC)	1,476	**1,178**
Number of employees (FTEs)	24,548	**20,593**

Financial performance

Sales declined by 32% compared to Q2 2004, mainly due to strong price erosion coupled with further market decline.

Restructuring charges totaled EUR 4 million, half the level of Q2 2004.

Philips share in the net loss was EUR 11 million, a decline of EUR 15 million compared to Q2 2004.

Looking ahead

Implications of the most recent market developments are being studied and could require additional restructuring programs.

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Highlights in the 1st six months

The 1st six months of 2005

Net profit EUR 1,100 million

Comparable sales up 1%, driven by Medical Systems, Lighting and DAP

Income from operations EUR 340 million

Unconsolidated companies contributed EUR 844 million to net income   Net debt : group equity ratio 8:92

Net income

in millions of euros

	January-June 2003	January-June 2004	**January-June 2005**
Sales	13,031	13,911	**13,722**
Income from operations	6	574	**340**
as a % of sales	0.0	4.1	**2.5**
Financial income and expenses	(162)	(131)	**(105)**
Income taxes	59	(133)	**39**
Results unconsolidated companies	84	887	**844**
Minority interests	(14)	(31)	**(18)**
Net income (loss)	(27)	1,166	**1,100**
Per common share basic	(0.02)	0.91	**0.87**

Management summary

Net income was a profit of EUR 1,100 million, compared to EUR 1,166 million in the first half of 2004.

Sales amounted to EUR 13,722 million, 1% lower than in the same period last year. The weaker US dollar and dollar-related currencies, together with (de)consolidation changes (mainly NAVTEQ), had a downward effect of 2%. Consequently, comparable sales were 1% higher than in the corresponding period of 2004.

Comparable sales grew at Medical Systems (6%), Lighting (5%), DAP (5%) and CE (2%). This growth was partially offset by weaker sales at Semiconductors and MDS.

Income from operations was a profit of EUR 340 million, compared to a profit of EUR 574 million in the same period last year. Restructuring and total impairment charges totaled EUR 78 million, compared to EUR 66 million in the first half of 2004. Pension costs amounted to EUR 125 million, compared to EUR 177 million in the same period last year.

Unconsolidated companies contributed EUR 844 million to net income, compared to EUR 887 million in the first six months of 2004. The sale of NAVTEQ shares contributed EUR 753 million to net income, while the results of LG.Philips LCD were EUR 490 million lower than in the corresponding period of last year. Q2 2004 also included a net license gain of EUR 99 million related to InterTrust Technologies Corp. and a dilution gain of EUR 156 million on Philips participation in Atos Origin.

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Other information

Subsequent event

Philips announced on July 14, 2005 that it has sold its remaining stake of approximately 10.3 million shares in Atos Origin. The transaction will provide Philips with proceeds of approximately EUR 550 million, and will result in a non-taxable gain of approximately EUR 190 million in the third quarter.

Prior to this transaction, Philips holding represented 15.4% of Atos Origin s outstanding shares. Following this transaction, Philips no longer has a stake in Atos Origin.

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Outlook

Outlook

We remain cautious as regards the business outlook for the immediate future. In many parts of the world, growth is slowing down. In Europe in particular, the consumer retail environment is weak, impacting our growth ambitions in the short term.

We expect that Medical Systems will continue to record solid performance improvements based on operational efficiency, innovation and a strong order intake. Defying adverse market conditions, Consumer Electronics remains on track to achieve its 4   4.5% profitability target by the end of the year. Despite softness in certain key markets, Lighting and DAP will continue to deliver solid performances and will grow through innovation. For Semiconductors, we do not expect to see any significant upturn in market conditions in the short term.

We will continue to focus on innovation across the group, and on products with higher margins in markets offering greater scope for growth. At the same time, we will step up our efforts to improve both our cost structure and supply chain management. We will sustain our investments in strengthening our brand, with a tightened focus to ensure maximum impact.

Amsterdam, July 18, 2005

Board of Management

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Consolidated statements of income

all amounts in millions of euros unless otherwise stated

	2nd quarter		January to June	
	2004	2005	2004	2005
Sales	7,280	**7,087**	13,911	**13,722**
Cost of sales	(4,842)	**(4,784)**	(9,280)	**(9,278)**
Gross margin	2,438	**2,303**	4,631	**4,444**
Selling expenses	(1,087)	**(1,174)**	(2,092)	**(2,182)**
General and administrative expenses	(331)	**(331)**	(692)	**(638)**
Research and development expenses	(654)	**(642)**	(1,268)	**(1,262)**
Impairment of goodwill	(14)		(14)	
Restructuring and impairment charges	(36)	**(33)**	(52)	**(78)**
Other business income (expense)	40	**24**	61	**56**
Income from operations	356	**147**	574	**340**
Financial income and expenses	(65)	**(57)**	(131)	**(105)**
Income before taxes	291	**90**	443	**235**
Income tax (expense) benefit	(87)	**83**	(133)	**39**
Income after taxes	204	**173**	310	**274**
Results relating to unconsolidated companies, including a net dilution loss of EUR 24 million in the 2nd quarter of 2005 (gain of EUR 156 million in the 1st quarter of 2004)	430	**822**	887	**844**
Minority interests	(18)	**(12)**	(31)	**(18)**
Net income	616	**983**	1,166	**1,100**
Income from operations as a % of sales	4.9	**2.1**	4.1	**2.5**
Weighted average number of common shares outstanding (after deduction of treasury stock) during the period (in thousands):				
basic			1,280,034	**1,265,804**
diluted			1,283,941	**1,267,986**
Net income per common share in euros:				
basic	0.48	**0.78**	0.91	**0.87**
diluted	0.48	**0.78**	0.91	**0.87**

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Consolidated balance sheets and additional ratios

all amounts in millions of euros unless otherwise stated

	June 30, 2004	December 31, 2004	**June 30, 2005**
Current assets:			
Cash and cash equivalents	2,434	4,349	**3,005**
Receivables	4,863	4,528	**4,911**
Inventories	3,738	3,230	**4,000**
Other current assets	1,050	1,216	**963**
Total current assets	12,085	13,323	**12,879**
Non-current assets:			
Investments in unconsolidated companies	5,910	5,670	**6,031**
Other non-current financial assets	1,316	876	**924**
Non-current receivables	252	227	**165**
Other non-current assets	2,492	2,823	**3,231**
Property, plant and equipment	5,394	4,997	**5,034**
Intangible assets excluding goodwill	1,192	989	**1,010**
Goodwill	2,581	1,818	**2,044**
Total assets	31,222	30,723	**31,318**
Current liabilities:			
Accounts and notes payable	3,362	3,499	**3,348**
Accrued liabilities	3,163	3,307	**3,254**
Short-term provisions	884	781	**783**
Other current liabilities	646	627	**569**
Short-term debt	2,127	961	**815**
Total current liabilities	10,182	9,175	**8,769**
Non-current liabilities:			
Long-term debt	4,019	3,552	**3,651**
Long-term provisions	2,014	2,117	**2,130**
Other non-current liabilities	736	736	**756**
Total liabilities	16,951	15,580	**15,306**
Minority interests	327	283	**335**
Stockholders equity	13,944	14,860	**15,677**
Total liabilities and equity	31,222	30,723	**31,318**
	1,279,958	1,281,527	**1,247,475**

Number of common shares outstanding (after deduction of treasury stock) at the end of period (in thousands)

Ratios

Stockholders equity per common share in euros	10.89	11.60	**12.57**
Inventories as a % of sales	12.5	10.7	**13.3**
Net debt: group equity ratio	21:79	1:99	**8:92**
Net operating capital	9,062	7,192	**8,631**
Employees at end of period	165,615	161,586	**159,709**

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Consolidated statements of cash flows*

all amounts in millions of euros

	2nd quarter		January to June	
	2004	2005	2004	2005
Cash flows from operating activities:				
Net income	616	**983**	1,166	**1,100**
Adjustments to reconcile net income to net cash provided by (used for) operating activities:				
Depreciation and amortization	418	**379**	796	**741**
Impairment of equity investments	1		4	
Net gain on sale of assets	(28)	**(760)**	(45)	**(777)**
Unconsolidated companies (net of dividends received)	(423)	**(69)**	(877)	**(2)**
Minority interests (net of dividends paid)	11	**12**	24	**18**
Increase in working capital/other current assets	(404)	**(274)**	(640)	**(1,081)**
(Increase) decrease in non-current receivables/other assets	(63)	**(134)**	104	**(223)**
Decrease in provisions	(67)	**(92)**	(74)	**(101)**
Other items	1	**(8)**	8	**11**
Net cash provided by (used for) operating activities	62	**37**	466	**(314)**
Cash flows from investing activities:				
Purchase of intangible assets	(16)	**(29)**	(30)	**(43)**
Capital expenditures on property, plant and equipment	(350)	**(221)**	(622)	**(447)**
Proceeds from disposals of property, plant and equipment	70	**40**	97	**77**
Cash from/to derivatives	29	**(24)**	37	**(33)**
Proceeds from sale (purchase) of other non-current financial assets		**2**	6	**(2)**
Proceeds from sale (purchase) of businesses	(40)	**920**	(58)	**846**
Net cash (used for) provided by investing activities	(307)	**688**	(570)	**398**
Cash flows before financing activities	(245)	**725**	(104)	**84**
Cash flows from financing activities:				
Increase (decrease) in debt	21	**(197)**	(191)	**(326)**
Treasury stock transactions	13	**(285)**	(34)	**(699)**
Dividends paid	(460)	**(504)**	(460)	**(504)**
Net cash used for financing activities	(426)	**(986)**	(685)	**(1,529)**
Decrease in cash and cash equivalents	(671)	**(261)**	(789)	**(1,445)**
Effect of change in consolidations on cash positions	1		117	
Effect of changes in exchange rates on cash positions	(1)	**56**	34	**101**
Cash and cash equivalents at beginning of period	3,105	**3,210**	3,072	**4,349**
Cash and cash equivalents at end of period	2,434	**3,005**	2.434	**3,005**

* For a number of reasons, principally the effects of translation differences and consolidation changes, certain items in the statements of cash flows do not correspond to the differences between the balance sheet amounts for the respective items.

Consolidated statement of changes in stockholders equity

all amounts in millions of euros

January to June 2005

				Accumulated other comprehensive income (loss)					Treasury shares at cost		
	Common stock	Capital in excess of par value	Retained earnings	Currency translation differences	Unrealized gain (loss) on available-for-sale securities	Additional minimum pension liability	Changes in fair value of cash flow hedges	Total	To hedge share-based compensation plans	To cover capital reduction program	Total stockholders equity
Balance as of December 31, 2004	263	97	19,346	(3,407)	174	(429)	55	(3,607)	(1,239)		14,860
Net income			1,100								1,100
Net current period change				1,011	(6)	(31)	(75)	899			899
Reclassifications into income				17			(13)	4			4
Total comprehensive income (loss), net of tax			1,100	1,028	(6)	(31)	(88)	903			2,003
Dividend payable			(504)								(504)
Purchase of treasury stock									(250)	(500)	(750)
Re-issuance of treasury stock		(54)							105		51
Share-based compensation plans		17									17
Balance as of June 30, 2005	**263**	**60**	**19,942**	**(2,379)**	**168**	**(460)**	**(33)**	**(2,704)**	**(1,384)**	**(500)**	**15,677**

Product sectors

all amounts in millions of euros unless otherwise stated

Sales and income from operations

	2nd quarter				
	2004			2005	
	Sales	Income (loss) from operations		Sales	Income (loss) from operations
		amount	as a % of sales		