

FIRST AMERICAN CORP  
Form 10-Q/A  
August 14, 2003  
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**FORM 10-Q/A**  
**AMENDMENT NO. 1 TO**  
**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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

For the quarterly period ended June 30, 2003

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 0-3658

**THE FIRST AMERICAN CORPORATION**

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(Exact name of registrant as specified in its charter)

**Incorporated in California**

**95-1068610**

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(State or other jurisdiction of incorporation or organization)

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(I.R.S. Employer Identification No.)

**1 First American Way, Santa Ana, California**

**92707-5913**

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(Address of principal executive offices)

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(Zip Code)

**(714) 800-3000**

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(Registrant's telephone number, including area code)

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(Former name, former address and former fiscal year, if changed since last report)

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 if the registrant is an accelerated filer (as defined in Exchange Act Rule 12b-2).

Yes No

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APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY  
PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the registrant has filed all documents and reports to be filed by Section 12,13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes No

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. \$1 par value - 77,589,939 as of August 11, 2003

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THE FIRST AMERICAN CORPORATION  
AND SUBSIDIARY COMPANIES

Condensed Consolidated Balance Sheets  
(in thousands, except percentage and share data)

	<u>June 30,</u> <u>2003</u>	<u>December 31,</u> <u>2002</u>
	<u>(unaudited)</u>	
<b>Assets</b>		
Cash and cash equivalents	\$ 1,053,818	\$ 900,863
Accounts and accrued income receivable, net	395,029	299,040
Investments:		
Deposits with savings and loan associations and banks	40,901	38,328
Debt securities	339,883	309,864
Equity securities	42,447	36,931
Other long-term investments	235,715	142,392
	658,946	527,515
Loans receivable, net	107,657	108,162
Property and equipment, at cost:		
Land	43,468	43,185
Buildings	185,017	183,045
Furniture and equipment	281,163	270,004
Capitalized software	315,249	284,537
	824,897	780,771
Less- accumulated depreciation and amortization	(381,971)	(347,695)
	442,926	433,076
Title plants and other indexes	388,619	375,401
Deferred income taxes	18,901	20,951
Goodwill, net	645,849	563,991
Other assets	230,145	169,046
	\$ 3,941,890	\$ 3,398,045
<b>Liabilities and Stockholders Equity</b>		
Demand deposits	\$ 83,162	\$ 84,473
Accounts payable and accrued liabilities	627,806	539,069

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Deferred revenue	405,873	358,747
Reserve for known and incurred but not reported claims	379,207	360,305
Income taxes payable	59,378	1,518
Notes and contracts payable	425,650	425,705
Minority interests in consolidated subsidiaries	221,558	163,639
<b>Commitments and contingencies</b>		
Mandatorily redeemable preferred securities of the Company's subsidiary trust whose sole assets are the Company's \$100,000 8.5% deferrable interest subordinated notes due 2012	100,000	100,000
<b>Stockholders' equity:</b>		
Preferred stock, \$1 par value Authorized - 500,000 shares; outstanding - none		
Common stock, \$1 par value Authorized - 180,000,000 shares		
Outstanding - 77,469,000 and 73,636,000 shares	77,469	73,636
Additional paid-in capital	432,552	359,644
Retained earnings	1,187,524	987,768
Accumulated other comprehensive loss	(58,289)	(56,459)
	1,639,256	1,364,589
	\$ 3,941,890	\$ 3,398,045

See notes to condensed consolidated financial statements.

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THE FIRST AMERICAN CORPORATION  
AND SUBSIDIARY COMPANIES

Condensed Consolidated Statements of Income and Comprehensive Income

(in thousands, except per share amounts)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2003	2002	2003	2002
	(unaudited)		(unaudited)	
<b>Revenues</b>				
Operating revenues	\$ 1,513,554	\$ 1,084,581	\$ 2,818,417	\$ 2,107,921
Investment and other income	27,790	19,576	52,357	38,379
Net realized investment gains (losses)	1,587	(12,627)	14,132	(12,568)
	<u>1,542,931</u>	<u>1,091,530</u>	<u>2,884,906</u>	<u>2,133,732</u>
<b>Expenses</b>				
Salaries and other personnel costs	439,769	363,918	846,986	709,243
Premiums retained by agents	408,784	308,839	774,493	593,133
Other operating expenses	327,804	243,829	621,191	481,187
Provision for policy losses and other claims	79,403	52,697	146,642	99,796
Depreciation and amortization	26,555	25,084	52,570	49,232
Premium taxes	12,010	8,393	22,466	15,592
Interest	8,853	8,716	17,312	16,936
	<u>1,303,178</u>	<u>1,011,476</u>	<u>2,481,660</u>	<u>1,965,119</u>
Income before income taxes and minority interests	239,753	80,054	403,246	168,613
Income taxes	83,100	26,300	139,100	57,300
Income before minority interests	156,653	53,754	264,146	111,313
Minority interests	29,177	13,633	49,090	27,117
Net income	<u>127,476</u>	<u>40,121</u>	<u>215,056</u>	<u>84,196</u>
Other comprehensive income (loss), net of tax				
Unrealized gain (loss) on securities	3,653	(4,475)	3,220	(5,010)
Minimum pension liability adjustment	(1,950)	(100)	(5,050)	(2,375)
	<u>1,703</u>	<u>(4,575)</u>	<u>(1,830)</u>	<u>(7,385)</u>
Comprehensive income	<u>\$ 129,179</u>	<u>\$</u>		