

SUPERMEDIA INC.
Form 8-K
February 22, 2012

UNITED STATES
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):

February 22, 2012

SUPERMEDIA INC.

(Exact name of Registrant as specified in its charter)

Delaware
(State of Incorporation)

1-32939
(Commission File Number)

20-5095175
(I.R.S. Employer
Identification Number)

2200 West Airfield Drive, P.O. Box 619810, DFW Airport, Texas 75261

(Address of Principal Executive Offices)

(972) 453-7000

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(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition.

On February 22, 2012, SuperMedia Inc. (the Company) issued a press release announcing its financial results for the fourth quarter and year ended December 31, 2011. A copy of the press release is furnished as part of this Current Report on Form 8-K as Exhibit 99.1 and is incorporated herein by reference.

Non-GAAP Measures

The Company's press release and financial schedules include financial information prepared in conformity with accounting principles generally accepted in the United States (GAAP) as well as non-GAAP financial information. The non-GAAP financial information includes:

- EBITDA, which is earnings before interest, taxes, gain on early extinguishment of debt, reorganization items, depreciation and amortization;
- EBITDA margin, which is EBITDA divided by total operating revenue;
- adjusted and adjusted pro forma consolidated statements of operations;
- adjusted and adjusted pro forma EBITDA;
- adjusted and adjusted pro forma EBITDA margin; and
- free cash flow, which is cash from operations minus capital expenditures, including software capitalization.

EBITDA is determined by adjusting net income for interest, taxes, gain on early extinguishment of debt, reorganization items, depreciation and amortization. EBITDA margin is calculated by dividing EBITDA by total operating revenue. Management believes that EBITDA and EBITDA margin are useful to investors and other users of our financial information in evaluating our operating performance. EBITDA and EBITDA margin are used internally to evaluate current operating expense efficiency and operating profitability by excluding interest, taxes, gain on early extinguishment of debt, reorganization, depreciation and amortization items. In addition, EBITDA is used internally for incentive compensation purposes.

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The adjusted and adjusted pro forma consolidated statements of operations represent our consolidated statements of operations prepared in accordance with GAAP as modified to adjust for the impacts of certain unique costs including reorganization items, severance costs, restructuring costs, impairments, gain on early extinguishment of debt, certain other non-recurring costs and pro forma fresh start accounting items. Descriptions of the adjustments made to prepare our adjusted and adjusted pro forma consolidated statements of operations are provided in the financial schedules accompanying the press release attached as Exhibit 99.1 to this Current Report.

Management believes the presentations of adjusted and adjusted pro forma operating performance assist readers in better understanding our results of operations and trends from period to period, consistent with management's evaluation of the Company's consolidated results of operations for a variety of internal measures including strategic business planning, capital allocation and incentive compensation. Management believes that the adjusted and adjusted pro forma consolidated statements of operations and adjusted and adjusted pro forma EBITDA are more indicative of future operating results than GAAP results of operations because of the non-operational and/or non-recurring nature of the items adjusted.

Free cash flow is defined as cash from operations minus capital expenditures, including software capitalization. Management believes that free cash flow is useful to investors and other users of our financial information because management regularly reviews free cash flow as an important indicator of how much cash is generated by normal business operations.

As a result of these factors, management provides this information externally, along with a reconciliation to their comparable GAAP amounts, so readers have access to the detail and general nature of adjustments made to GAAP results to arrive at non-GAAP measures.

Management provides non-GAAP financial information to enhance the understanding of the Company's GAAP consolidated financial statements and readers should consider the information in addition to, but not instead of, the Company's financial statements prepared in accordance with GAAP. This non-GAAP financial information may be determined or calculated differently by other companies.

Item 7.01. Regulation FD Disclosure.

The Company is furnishing herewith additional information in conjunction with the February 22, 2012 earnings release. This additional information includes Company information and highlights of 2011 fourth quarter and annual results. The additional information, attached as Exhibit 99.2 to this Current Report on Form 8-K, is being furnished and will not be deemed filed for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act), or otherwise subject to the liabilities of that Section.

The information in this Current Report on Form 8-K will not be incorporated by reference into any registration statement or other document filed by the Company under the Securities Act of 1933, as amended, or the Exchange Act, unless specifically identified therein as being incorporated by reference.

Item 9.01 Financial Statements and Exhibits.

(d) *Exhibits*

| Exhibit No. | Description |
|--------------------|---|
| 99.1 | SuperMedia Inc. press release, dated February 22, 2012 |
| 99.2 | Additional Information from Investor Conference Call on February 22, 2012 |

SIGNATURES


Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Current Report to be signed on its behalf by the undersigned hereunto duly authorized.

SUPERMEDIA INC.

By: /s/ Cody Wilbanks
Name: Cody Wilbanks
Title: Executive Vice President
General Counsel and Secretary

Date: February 22, 2012

EXHIBIT INDEX

| Exhibit No. | Description |
|---|--------------------|
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| 99.2 | Additional Information from Investor Conference Call on February 22, 2012 |
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