

INTERNATIONAL MICROCOMPUTER SOFTWARE INC /CA/
Form 8-K
September 30, 2005

**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) September 29, 2005

Commission File Number **0-15949**

INTERNATIONAL MICROCOMPUTER SOFTWARE, INC.
(Exact name of registrant as specified in its charter)

California
(State or other jurisdiction of incorporation or organization)

94-2862863
(I.R.S. Employer identification No.)

100 Rowland Way, Suite 300, Novato, CA
(Address of principal executive offices)

94945
(Zip code)

(415) 878-4000
(Registrant's telephone number including area code)

ITEM 7.01 REGULATION FD DISCLOSURE

On September 29, 2005, International Microcomputer Software, Inc. (the "Company") announced its financial results for the twelve months ended June 30, 2005. The full text of the press release issued in connection with the announcement is attached as Exhibit 99.1 to this Current Report on Form 8-K.

In accordance with the procedural guidance in SEC Release Nos. 33-8216 and 34-47583, the information in this Form 8-K and the Exhibit attached hereto is being furnished under "Item 7.01. Regulation FD Disclosure" rather than under "Item 8.01. "Other Event". The information shall not be deemed "filed" for 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, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

The Company includes the use of a non-GAAP financial information in the attached exhibit. In accordance with Item 10(h)(1) of Regulation S-B, IMSI is required to provide a statement disclosing the reasons why management believes that presentation of non-GAAP financial measures and information provides useful information to investors regarding the Company's results of operations.

IMSI management evaluates and makes operating decisions using various operating measures. These measures are generally based on the revenues and certain costs of its operations, such as cost of goods sold and selling, general and administrative expenses. One such group of measures is GAAP net income (loss) as adjusted for non-cash activity and taxes (including "EBITDA"), which are non-GAAP financial measures under Section 101 of Regulation G under the Securities Exchange Act of 1934, as amended.

Management believes it is useful in measuring IMSI's operations to identify these factors which relate to cash flows and provide them to the market in a summarized form.

Management believes that GAAP net income (loss) as adjusted for non-cash activity and taxes provides useful supplemental information to management and investors regarding the performance of the company's business operations and facilitates comparisons to our historical operating results. Management also uses this information internally for forecasting and budgeting. Non-GAAP financial measures should not be considered as a substitute for measures of financial performance prepared in accordance with GAAP. Investors and potential investors are encouraged to review the reconciliation of non-GAAP financial measures contained within the attached press release with their most directly comparable GAAP financial results.

ITEM 9.01 FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

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|--------------------|---|
| (a) | Not applicable. |
| (b) | Not applicable. |
| (c) | Exhibits. |
| <u>Exhibit No.</u> | <u>Description of Exhibit</u> |
| 99.1 | Press release dated September 29, 2005. |

SIGNATURE

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

**INTERNATIONAL MICROCOMPUTER SOFTWARE,
INC.**

Dated: September 30, 2005

By: /s/ MARTIN WADE, III

Name: Martin Wade, III
Title: Chief Executive Officer

EXHIBIT INDEX

Exhibit No.

Description

99.1

Press release dated September 29, 2005