

AMERITRADE HOLDING CORP

Form DEFA14A

October 25, 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): October 25, 2005

Ameritrade Holding Corporation

(Exact name of registrant as specified in its charter)

| | 3,689,000 | 3,487,000 | 3,520,000 | 3,171,000 |
|---|-----------|-----------|-----------|-----------|
| Total accounts (end of period) | 3,717,000 | 3,520,000 | 3,717,000 | 3,520,000 |
| Percentage increase (decrease) during period | 1% | 1% | 6% | 11% |
| Client assets (beginning of period, in billions) \$ | 78.8 | \$ 71.5 | \$ 68.8 | \$ 54.8 |
| Client assets (end of period, in billions) \$ | 83.3 | \$ 68.8 | \$ 83.3 | \$ 68.8 |
| Percentage increase (decrease) during period | 6% | (4%) | 21% | 26% |

NOTE: See Glossary of Terms on the Company's web site at www.amtd.com for definitions of the above metrics.

AMERITRADE HOLDING CORPORATION
RECONCILIATION OF FINANCIAL MEASURES

In thousands, except percentages

(Unaudited)

| | Quarter Ended | | | | Fiscal Year Ended | | | |
|-------------------------------------|----------------|--------------|----------------|--------------|-------------------|--------------|----------------|--------------|
| | Sept. 30, 2005 | | Sept. 24, 2004 | | Sept. 30, 2005 | | Sept. 24, 2004 | |
| | \$ | % of Rev. | \$ | % of Rev. | \$ | % of Rev. | \$ | % of Rev. |
| <u>Operating Margin (1)</u> | | | | | | | | |
| Operating margin | \$ 178,249 | 65.0% | \$ 115,672 | 61.9% | \$ 637,061 | 63.5% | \$ 542,687 | 61.7% |
| Less: | | | | | | | | |
| Advertising | (20,005) | (7.3%) | (19,950) | (10.7%) | (92,312) | (9.2%) | (100,364) | (11.4%) |
| Gain/(loss) on disposal of property | 208 | 0.1% | (1,741) | (0.9%) | 428 | 0.0% | (1,166) | (0.1%) |
| Pre-tax income | \$ 158,452 | 57.8% | \$ 93,981 | 50.3% | \$ 545,177 | 54.3% | \$ 441,157 | 50.1% |
| <u>EBITDA (2)</u> | | | | | | | | |
| EBITDA | \$ 165,779 | 60.4% | \$ 100,369 | 53.7% | \$ 571,552 | 57.0% | \$ 466,962 | 53.1% |
| Less: | | | | | | | | |
| Depreciation and amortization | (6,864) | (2.5%) | (5,766) | (3.1%) | (24,408) | (2.4%) | (23,224) | (2.6%) |
| Interest on borrowings | (463) | (0.2%) | (622) | (0.3%) | (1,967) | (0.2%) | (2,581) | (0.3%) |

| | | |
|---|--|---|
| Delaware (State or other jurisdiction of incorporation) | 0-49992 (Commission File Number) | &nbs 82-0543156 (I.R.S. Employer Identification No.) |
|---|--|---|

| | |
|--|---------------------|
| 4211 South 102 nd Street Omaha, Nebraska (Address of principal executive offices) | 68127 (Zip Code) |
|--|---------------------|

Registrant's telephone number, including area code: (402) 331-7856
 (Former name or former address, if changed since last report)

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 (see General Instruction A.2.):

- 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))

- o 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 and

Item 8.01 Other Events

On October 25, 2005, the Registrant released its financial results for its fourth fiscal quarter and fiscal year ended September 30, 2005. A copy of the news release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

99.1 News Release issued by the Registrant on October 25, 2005

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SIGNATURES

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 thereunto duly authorized.

Dated: October 25, 2005

AMERITRADE HOLDING
CORPORATION

By: /s/ John R. MacDonald
John R. MacDonald
Executive Vice President,
Chief Financial Officer and Treasurer