MOVE INC

FORM 8-K
(Current report filing)

Filed 09/21/04 for the Period Ending 09/21/04

Address	30700 RUSSELL RANCH RD WESTLAKE VILLAGE, CA 91362
Telephone	8055572300
CIK	0001085770
Symbol	MOVE
SIC Code	6531 - Real Estate Agents and Managers
Industry	Computer Services
Sector	Technology
Fiscal Year	12/31

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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 21, 2004

Homestore, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**000-26659**	**95-4438337**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

30700 Russell Ranch Road
Westlake Village, California 91362
(Address of principal executive offices)
(Zip Code)

Registrant's telephone number, including area code: (805) 557-2300

(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. below):

☐ 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 September 21, 2004, the Company is presenting at the ThinkEquity Partners Growth Conference 2004 at the Omni Hotel in San Francisco. A copy of the slide presentation accompanying such presentation is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01 Exhibits.

(c) Exhibits

99.1 Slide Presentation dated September 21, 2004.

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SIGNATURE

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

HOMESTORE, INC.

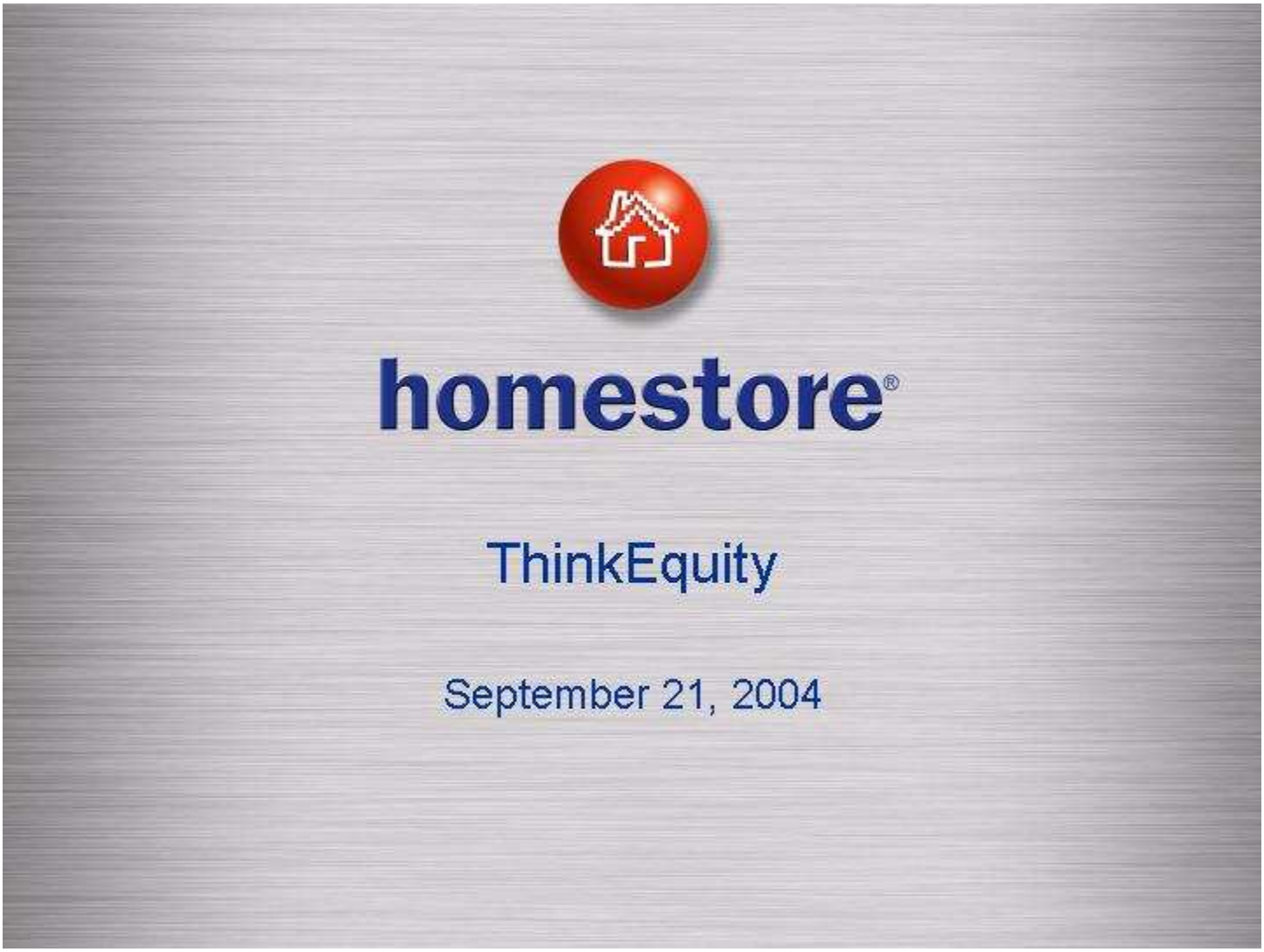
Date: September 21, 2004

By: /s/ Michael R. Douglas
Michael R. Douglas
Executive Vice President and General Counsel

EXHIBIT INDEX

99.1 Slide presentation presented on September 21, 2004 at the ThinkEquity Partners Growth Conference 2004 at the Omni Hotel in San Francisco.

Exhibit 99.1



Safe Harbor

Caution Regarding Forward-Looking Statements

The following presentation contains forward-looking statements, based on management's current views and expectations, estimates and projections about the industry, beliefs and certain assumptions made by management, within the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements concerning matters that are not historical facts or that necessarily depend upon future events. In some cases, you can identify forward-looking statements by words such as "believes," "anticipates," "estimates," "expects," "projections," "may," "potential," "plan," "continue" and words of similar import. These statements involve known and unknown risks, uncertainties and other factors which may cause the actual results of Homestore, its subsidiaries, divisions and concepts to be materially different from those expressed or implied in such statements. Homestore cannot guarantee future results, levels of activity, performance or achievements. These factors include, but are not limited to, those listed in "Risk Factors" sections contained in documents that Homestore files with the Securities Exchange Commission, including but not limited to its most recent annual report on Form 10-K and its most recent reports on Form 8-K and Form 10-Q. You should not place undue reliance on these forward-looking statements. Any forward-looking statements included in this presentation are made as of the date of this presentation, and except as required by law, Homestore assumes no responsibility for updating any forward-looking statements to reflect subsequent events or circumstances. All forward-looking statements are qualified by these cautionary statements.

Homestore: Stock Snapshot

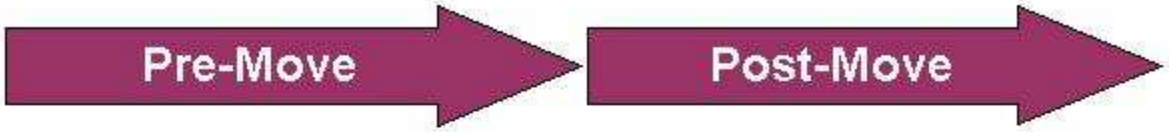
Exchange / Ticker:	NASDAQ NM / HOMS
Share Price as of 9/17/04	$2.05
Shares Outstanding:	146.5 million*
Market Cap:	$300 million
Average Daily Volume:	802k
52 week Range:	$1.81 - $5.95
Revenue (TTM):	$223 million
Cash and Investments (June 30):	$35.2 million

* *Includes issuance of 20 million shares pursuant to settlement of shareholder class action lawsuit*

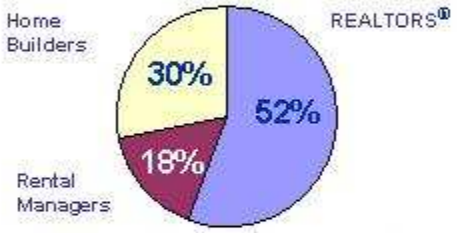
What We Do

We create media and technology solutions
to promote and connect
Real Estate Professionals and other Advertisers
to Consumers
before, during and after a move.

Market Opportunity



$8.5 – 9.0 Billion	$ Billions



Estimated spend by segment

Homestore Solutions

Media

- REALTOR.com®
- RENTNET®
- HomeBuilder.com™
- Retail Advertising
- Welcome Wagon®
- Homestore Plans & Publications

Software

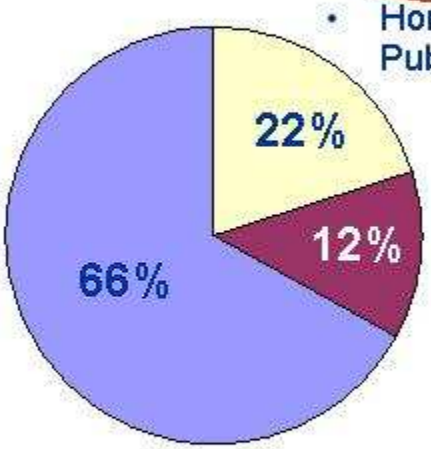
- TOP PRODUCER® CRM

Sources: NAR, REAL Trends, US Census Bureau, SEC Filings, National Apartment Association

Business Segment Overview

Offline Media (Print)
- Welcome Wagon®
- Homestore® Plans & Publications

Online Media
- REALTOR.com®
- RENTNET®
- HomeBuilder.com™
- Retail Advertising



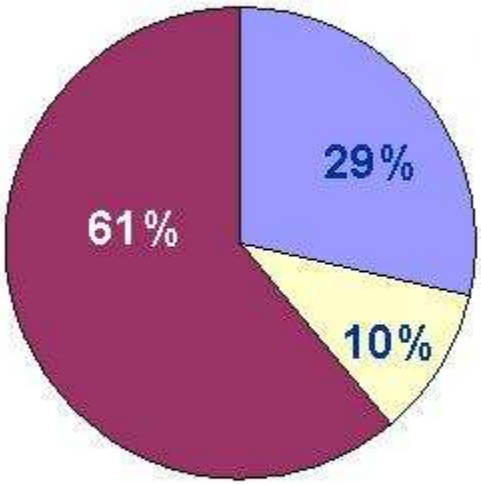
Software
- TOP PRODUCER®
- WyldFyre™
- Computers for Tracts™

Q2 2004 Revenue
$56.8m

Diversified Revenue Streams

Subscription

- Classified listings
- Top Producer ASP
- Templated web sites
- Welcome Wagon



Variable Ad Buys

- Display Advertising
- Consumer Home Plans

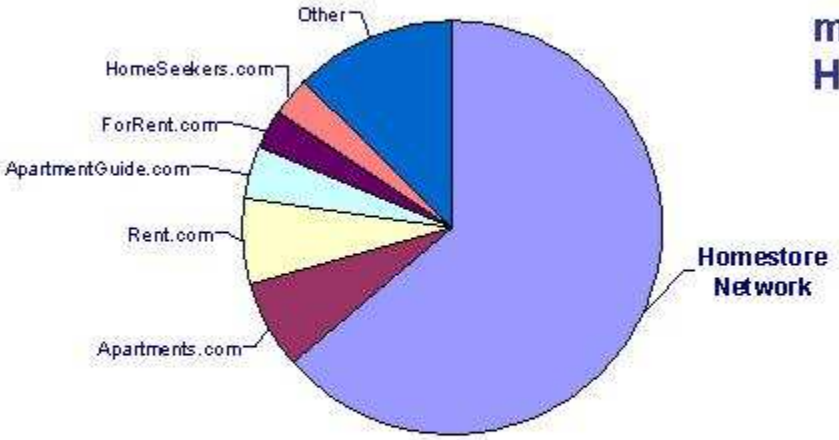
Software / Technology

- Custom web sites
- Software segment, excluding Top Producer ASP

Time Period: Q2 2004

Homestore Traffic Leadership

Minutes / Month



Nearly 300 million minutes spent on the Homestore Network

- 64% of total minutes*
- 81% for resale and new homes

Source: comScore Media Metrix August 2004
**Real Estate category comparable listings sites with over 200k unique users per month, does not include portals, foreclosure sites or sites operated by brokers, builders or REITS*

homestore™

Homestore Content Leadership

Real Estate Listings

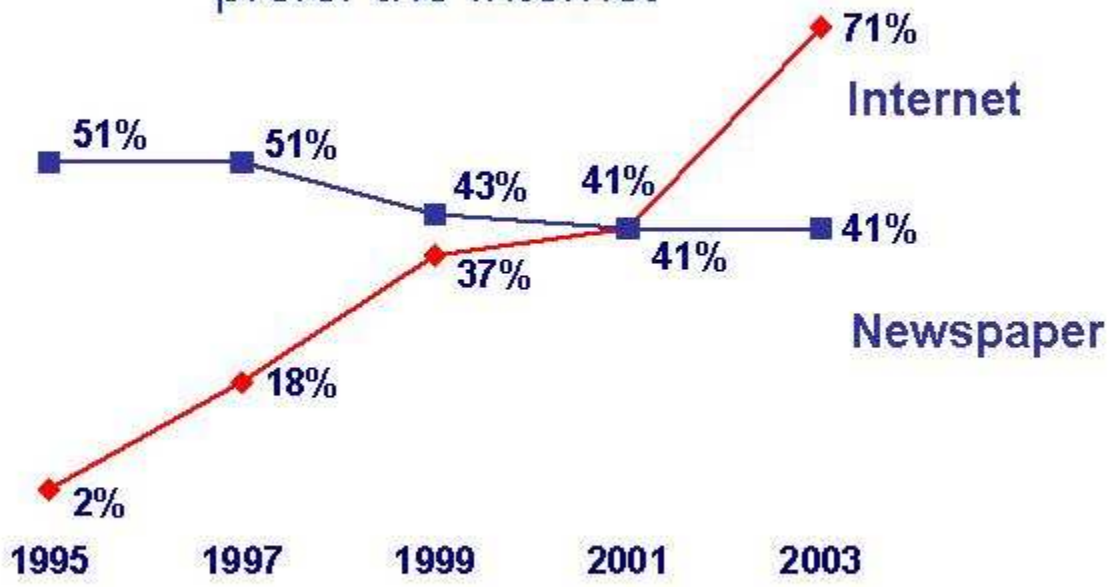
Existing Homes:	2 million+ listings
Apartments:	6 million units
New Homes:	75k available homes

Tools & Calculators

- School Reports
- Salary Calculator
- Credit Analyzer
- Cost of Living Comparison
- Mortgage Calculator
- Lender Directory
- Moving Checklist
- Relocation Crime Reports

Real Estate Consumers are Online

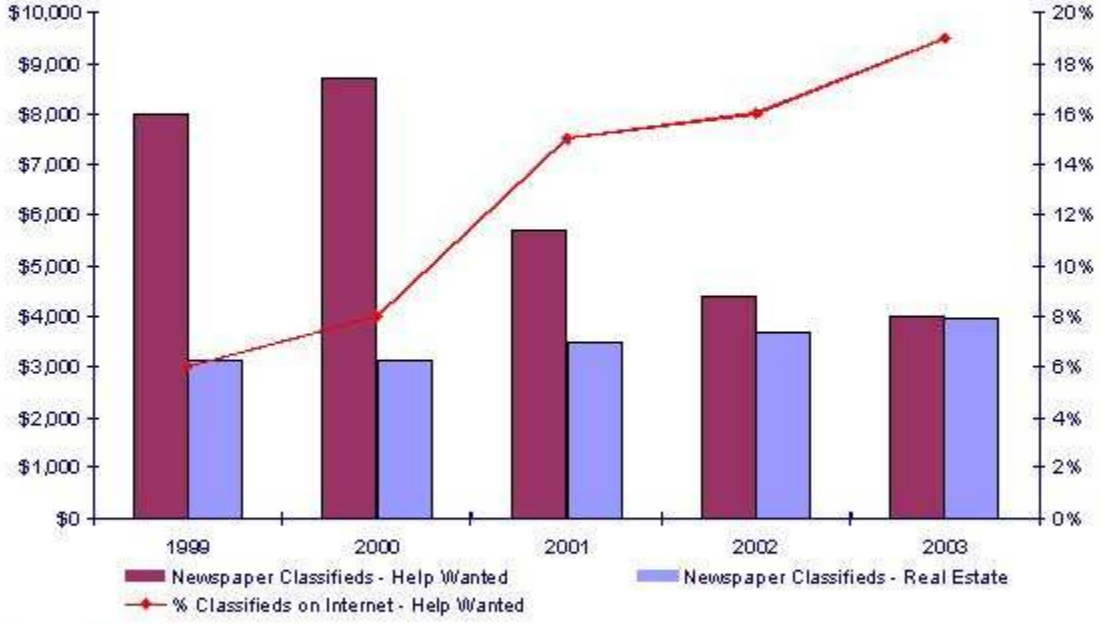
Consumers increasingly prefer the Internet



Source: The 2002, 2003 NAR Profile of Home Buyers and Sellers. Use of media at some point in the home search process.

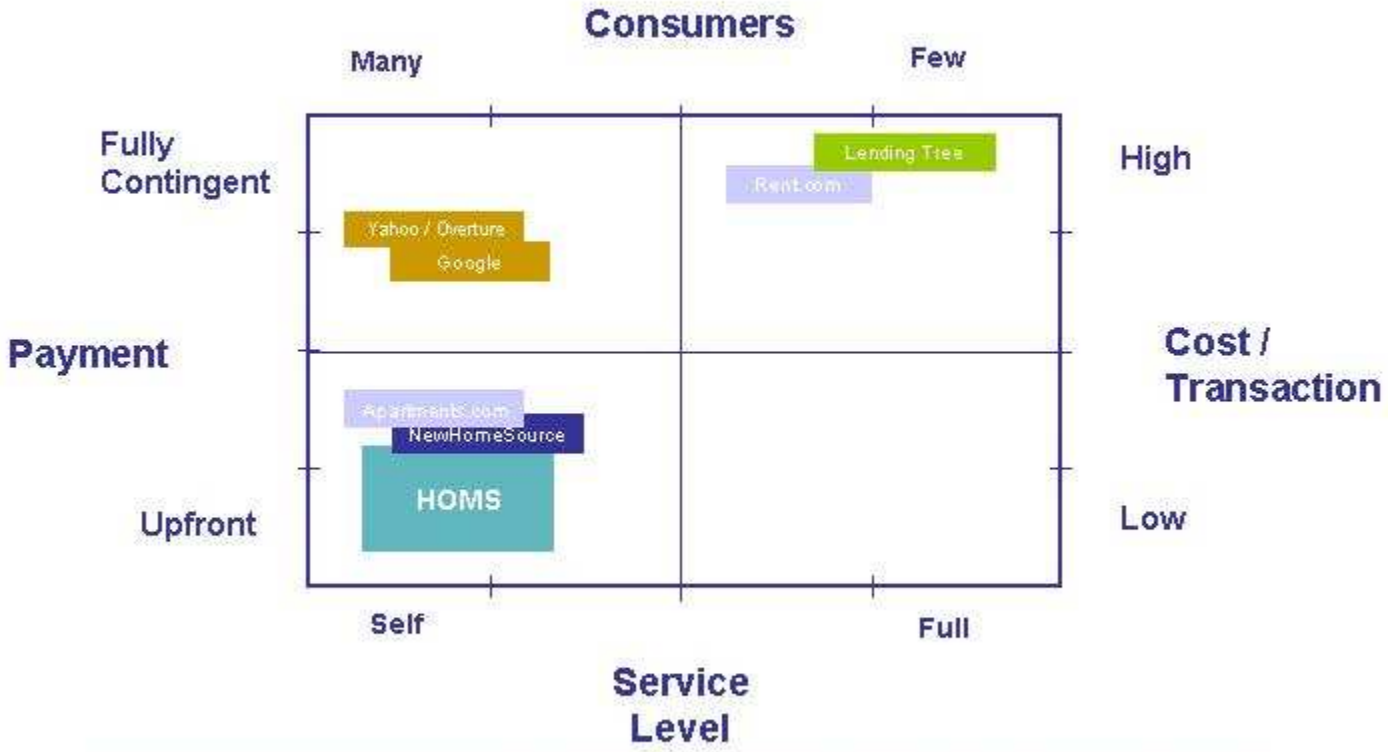
Classified Ad Trends

Help Wanted and Real Estate
($ millions)

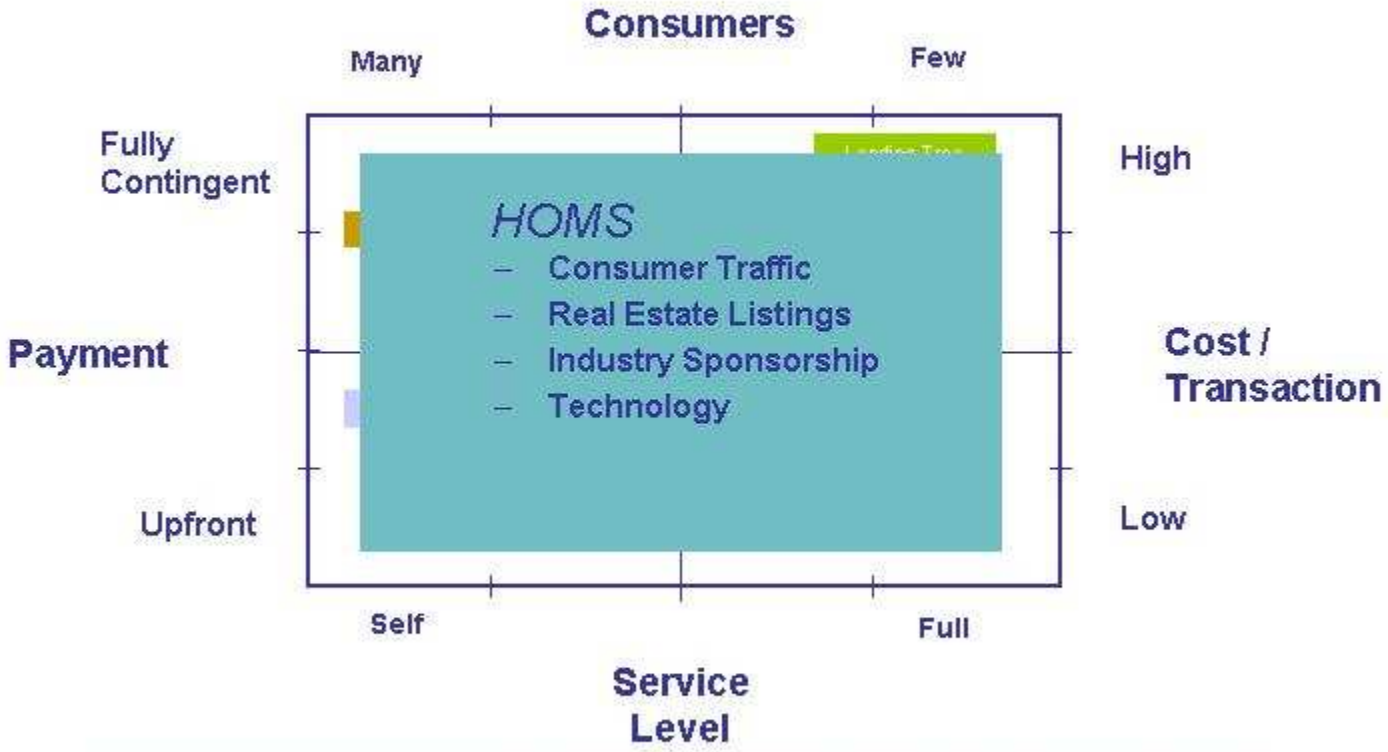


Source: NAA, Morgan Stanley Research

Emerging Business Models



Emerging Business Models



Q2 2004 Highlights

- 2nd Quarter of yr/yr revenue growth (5%)
- Record gross margins of 77%
- Improved profitability across all segments
- Significant growth in overall company EBITDA

Selected Financial Results

($ millions)	2003				2004	
	Q1	Q2	Q3	Q4	Q1	Q2
Revenue						
Media Services	$ 36.0	$ 35.6	$ 35.5	$ 36.5	$ 37.6	$ 37.7
Software	6.9	7.0	7.1	6.8	7.1	6.8
Print	12.0	11.3	12.5	11.6	11.4	12.3
Total	54.9	53.9	55.1	54.9	56.1	56.8
EBITDA*	$ (4.1)	$ (7.6)	$ (4.8)	$ (0.8)	$ 0.6	$ 2.1
Cash Balance (including short-term investments)	$ 70.0	$ 55.7	$ 52.7	$ 35.5	$ 41.1	$ 35.2

*Operating income (loss) excluding restructuring, impairment and certain other non-cash expenses, principally stock-based charges, depreciation and amortization.

2004 Revenue Trends

	Q1 2004		Q2 2004	
	Qtr/Qtr	Yr/Yr	Qtr/Qtr	Yr/Yr
Media Services	3.1%	4.6%	0.2%	6.0%
Realtor.com	5.0%	7.2%	0.3%	9.6%
Retail Advertising	13.1%	45.8%	2.5%	31.5%
Software	3.6%	2.8%	(3.9%)	(3.0%)
Print	(1.3%)	(5.2%)	7.9%	8.6%
Total	2.2%	2.3%	1.3%	5.4%

Q2 2004 Segment Profitability

	Media	Software	Print	Corporate*	Total
Gross Margin	84%	68%	60%	-	77%
Operating Expenses					
S&M	44%	23%	40%	-	41%
Product Development	7%	32%	1%	-	8%
G&A	13%	16%	21%	12%	27%
Unallocated	-	-	-	8%	8%
Operating Income (loss)	20%	(3%)	(1%)	(20%)	(8%)
EBITDA	21%	3%	0%	(11%)	4%

*Corporate Profitability measured against total company revenue

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