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**FORM 6-K**

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

**Report of Foreign Issuer  
Pursuant to Rule 13a-16 or 15d-16 of  
the Securities Exchange Act of 1934**

August 23, 2005

**DATAMIRROR CORPORATION**

*(Registrant's name)*

3100 Steeles Avenue East, Suite 700  
Markham, Ontario, Canada L3R 8T3  
*(Address of principal executive offices)*

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F:

Form 20-F ☒ Form 40-F ☐

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ☐ No ☒

Documents Included as Part of this Report

**No. Document**

1. [Press Release dated August 23, 2005](#)

## **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.

### **DATAMIRROR CORPORATION**

Date: August 23, 2005

By: /s/ Peter Cauley

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Title Chief Financial Officer

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**FOR IMMEDIATE RELEASE**

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**DataMirror Announces Second Quarter Results**

**TORONTO and SANTA CLARA, Calif., August 23, 2005** - DataMirror Corporation (NASDAQ: [DMCX](#) - [News](#); TSX: [DMC](#) - [News](#)), a leading real-time data integration company, today announced its financial results its second quarter ended July 31, 2005 (all figures are in U.S. dollars unless stated otherwise).

Revenue for the second quarter was \$9.9 million, up from \$9.8 million for the quarter ended July 31, 2004. GAAP net income was \$0.7 million or \$0.08 per diluted share in Q2 F2006, compared to \$3.9 million or \$0.34 per diluted share in Q2 last year. The results for Q2 last year included a non-recurring gain on the sale of an investment of approximately \$4.1 million. Cash flow from operations for the quarter was (\$1.4 million), improved from (\$2.0 million) in Q2 last year. Cash, cash equivalents, and short-term investments stood at \$31.9 million or \$3.79 per common share outstanding at the end of the quarter.

Revenue for the first six months of fiscal 2006 was \$20.6 million, up from \$19.7 million for the same period in fiscal 2005. YTD GAAP net income was \$1.5 million or \$0.16 per diluted share in fiscal 2006, compared to \$3.3 million or \$0.28 per diluted share at the same point last year. Cash flow from operations for the first six months of fiscal 2006 was \$2.9 million, compared to (\$0.5 million) for the same period in fiscal 2005.

"Licence revenue in the second quarter was about \$1.0 million below our expectations", Nigel Stokes, DataMirror CEO commented. "Despite this revenue shortfall, we were able to achieve net income that was close to our previous guidance. Revenue in the six month period grew by approximately 5% and both free cash flow and operating profitability improved significantly.

We believe the market opportunity for our solutions remains healthy, and expect that revenue growth will improve in the second half of the year.”

**Highlights:**

- Announced the availability of DataMirror PointBase 5.3®, DataMirror's full-featured, SQL92/99 JDBC compliant Java relational database. PointBase 5.3 delivers new features that further improve the solution's scalability, performance, and functionality. The new version lowers the cost of database development, reduces the time to market and facilitates integration between Java applications and back-office systems;
- Announced a new partnership with QCL Technologies (QCL), a Cork, Ireland, based technology solutions reseller. As partners, DataMirror and QCL will jointly offer real-time data integration and regulatory compliance solutions to clients in the chemical, life sciences and pharmaceutical industries. The partnership leverages solutions built upon DataMirror Integration Suite and QCL's experience in the Irish market;
- Announced a new Cdn. \$8 million secured revolving credit facility from the Knowledge-Based Industries division of RBC Royal Bank. The facility is designed to support working capital requirements, foreign exchange trading and letters of credit required in the normal course of business. While the company has no immediate need for cash, with the consolidation that is currently going on in the software industry, this facility, combined with our current cash balances, gives the Company the ability to react quickly when acquisition opportunities arise;
- Introduced a new dynamic operational data store (ODS) solution for companies with existing data warehouses whose data volatility and volume are impacting system performance. The new solution extends DataMirror's abilities to transform data warehouses into dynamic operational data stores and reinforces the company's commitment to help organizations make business decisions with the best available information.

**Business Outlook:**

Management offers the following outlook for the full fiscal year ending January 31, 2006, and for the third quarter ending October 31, 2005:

- For the 2006 fiscal year, the Company expects revenue to grow 4% to 9% and be in the range of \$43.0 to \$45.0 million with GAAP, diluted, net income in the range of \$0.33 to \$0.37 per share.

- In the third quarter of fiscal 2006, the Company expects revenue to grow year over year by up to 6% and be in the range of \$10.3 to \$10.8 million with GAAP, diluted, net income in the range of \$0.08 to \$0.12 per share.

These estimates assume a tax rate of 40 percent and include the expensing of stock options.

DataMirror management will hold a webcast and conference call to present the results for the second quarter and to outline the prospects for the business going forward at 5:00 p.m. EST today, August 23, 2005.

The conference call can be accessed via audio webcast at <http://www.datamirror.com/investors>. Participants should call 1-800-475-3716 using passcode 5148572. An online presentation is available by visiting <https://datamirror.webex.com/datamirror> and selecting the meeting "DataMirror Announces Second Quarter Results". A replay of the conference call will be available at 8:00 p.m. EST via the DataMirror web site or by dialing 1-888-203-1112 using passcode 5148572.

#### **About DataMirror**

DataMirror (NASDAQ: [DMCX](#) - [News](#); TSX: [DMC](#) - [News](#)), a leading provider of real-time data integration, protection and java database solutions, improves the integrity and reliability of information across all of the systems that create and store data. DataMirror's flexible and affordable integration solutions allow customers to easily and continuously detect, translate, and communicate information changes throughout the enterprise. DataMirror helps clients make better decisions by providing access to the continuous, accurate information they need to take timely action and move forward faster.

Over 2,000 companies have gained tangible competitive advantage from DataMirror software, including Debenhams, FedEx Ground, First American Bank, OshKosh B'Gosh, Priority Health, Tiffany & Co., and Union Pacific Railroad. DataMirror is headquartered in Markham, Canada and has offices around the globe. For more information, visit [www.datamirror.com](http://www.datamirror.com).

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**"Safe Harbour" Statement under the United States Private Securities Litigation Reform Act of 1995:**

Forward-looking statements in this press release, including statements regarding DataMirror Corporation's business which are not historical facts, are made pursuant to the "safe harbour" provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements of plans, objectives, strategies and expectations. The words "anticipate", "believe", "estimate" and "expect" and similar expressions are intended to identify forward-looking statements. Numerous important factors affect DataMirror's operating results and could cause DataMirror's actual results to differ materially from the results indicated by this press release or by any forward-looking statements made by, or on behalf of, DataMirror, and there can be no assurance that future results will meet expectations, estimates or projections. These factors include, but are not limited to, the following: the difficulty of developing, marketing and selling new products successfully; variability of quarterly operating results; dependence upon the continued growth and success of DataMirror's software products; competition; rapid technological change and new product introductions; dependence upon continued growth in the database and enterprise data integration markets; dependence upon relationships with complementary vendors and distribution channels; the ability to recruit and retain key personnel; risks of international operations, including currency exchange rate fluctuations and global economic conditions; possible software errors or defects; possible infringement claims by third parties; and other factors discussed in the DataMirror's Annual Information Form and other periodic filings with the United States Securities and Exchange Commission and other regulatory authorities. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those indicated in any forward-looking statements. DataMirror disclaims and does not assume any obligation to update these forward-looking statements.

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**DataMirror Corporation**  
**Consolidated Statements of Income (Loss)**  
*(Thousands of US\$, except per share data - unaudited)*

	Three Months Ended July 31,		Six Months Ended July 31,	
	2005	2004	2005	2004
<b>Revenue</b>				
Licence	\$ 3,900	\$ 4,079	\$ 8,583	\$ 7,760
Maintenance	5,242	4,986	10,578	10,038
Services	745	767	1,476	1,879
	<u>9,887</u>	<u>9,832</u>	<u>20,637</u>	<u>19,677</u>
<b>Cost of revenue</b>				
Licence	44	48	89	95
Maintenance and services	2,029	2,199	4,117	4,755
	<u>2,073</u>	<u>2,247</u>	<u>4,206</u>	<u>4,850</u>
<b>Gross margin</b>	<u>7,814</u>	<u>7,585</u>	<u>16,431</u>	<u>14,827</u>
<b>Operating expenses</b>				
Selling and marketing	2,820	3,842	5,916	7,929
Research and development	1,874	1,913	3,858	3,946
General and administration	1,726	1,637	3,573	3,121
Stock-based compensation	105	76	161	160
Amortization of intangibles	401	546	805	1,141
	<u>6,926</u>	<u>8,014</u>	<u>14,313</u>	<u>16,297</u>
<b>Operating income (loss)</b>	888	(429)	2,118	(1,470)
<b>Investment income, net</b>	173	202	393	342
<b>Gain on sale of investment</b>	<u>0</u>	<u>5,466</u>	<u>0</u>	<u>5,466</u>
<b>Income before income taxes</b>	1,061	5,239	2,511	4,338
<b>Income tax expense</b>	<u>370</u>	<u>1,368</u>	<u>1,020</u>	<u>1,087</u>
<b>Net income</b>	<u>\$ 691</u>	<u>\$ 3,871</u>	<u>\$ 1,491</u>	<u>\$ 3,251</u>
<b>Earnings per share</b>				
Basic	\$ 0.08	\$ 0.35	\$ 0.16	\$ 0.29
Fully diluted	\$ 0.08	\$ 0.34	\$ 0.16	\$ 0.28
<b>Weighted average number of shares outstanding (000's)</b>				
Basic	8,495	11,196	9,088	11,266
Fully diluted	8,575	11,285	9,156	11,492

**DataMirror Corporation**  
**Consolidated Balance Sheets**  
*(Thousands of US\$ - unaudited)*

	July 31, 2005	January 31, 2005
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 31,855	\$ 7,687
Short-term investments	0	38,707
Accounts receivable	4,473	8,055
Prepaid expenses	1,207	1,328
Future income taxes	2,102	2,426
	<u>39,637</u>	<u>58,203</u>
<b>Capital assets</b>	2,751	2,754
<b>Future income taxes</b>	272	0
<b>Intangibles</b>	1,556	2,344
<b>Goodwill</b>	4,221	4,180
	<u>\$ 48,437</u>	<u>\$ 67,481</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 2,305	\$ 2,989
Deferred revenue	15,523	17,838
Income taxes payable	184	750
	<u>18,012</u>	<u>21,577</u>
<b>Future income taxes</b>	0	83
	<u>18,012</u>	<u>21,660</u>
<b>Shareholders' Equity</b>		
Share capital		
Common shares (July 31, 2005 - 8,477,810 January 31, 2005 - 10,555,966)	32,508	42,250
Deficit	(9,362)	(2,953)
Contributed surplus	1,037	876
Cumulative translation adjustment	6,242	5,648
	<u>30,425</u>	<u>45,821</u>
	<u>\$ 48,437</u>	<u>\$ 67,481</u>



**DataMirror Corporation**  
**Consolidated Statements of Cash Flows**  
*(Thousands of US\$ - unaudited)*

	Three Months Ended July 31,		Six Months Ended July 31,	
	2005	2004	2005	2004
<b>Cash provided by (used in)</b>				
<b>Operating activities</b>				
Net income	\$ 691	\$ 3,871	\$ 1,491	\$ 3,251
Add (deduct) items not affecting cash:				
Amortization of capital assets	231	228	454	445
Amortization of intangibles	401	546	805	1,141
Stock-based compensation	105	76	161	160
Future income taxes	20	(214)	(8)	(348)
Gain on sale of investment	0	(5,466)	0	(5,466)
Investment tax credits	0	659	0	613
	1,448	(300)	2,903	(204)
Changes in non-cash working capital balances	(2,826)	(1,665)	40	(266)
	(1,378)	(1,965)	2,943	(470)
<b>Investing activities</b>				
Capital asset additions	(212)	(71)	(425)	(290)
Sale of short-term investments	0	0	38,749	24,447
Sale of investment in Idion	0	14,287	0	14,287
Investment in Idion	0	(1)	0	(73)
	(212)	14,215	38,324	38,371
<b>Financing activities</b>				
Capital lease payments	0	(10)	0	(24)
Issuance of share capital	159	20	169	509
Repurchase of share capital	(883)	(3,527)	(17,811)	(3,832)
	(724)	(3,517)	(17,642)	(3,347)
<b>Effect of exchange rate changes on cash and cash equivalents</b>	849	2,039	543	1,191
<b>Increase (decrease) in cash and cash equivalents</b>	(1,465)	10,772	24,168	35,745
<b>Cash and cash equivalents</b>				
Beginning of period	33,320	31,982	7,687	7,009
End of period	\$ 31,855	\$ 42,754	\$ 1,855	\$ 42,754