Answers CORP Form 424B3 November 03, 2005

> Filed Pursuant to Rule 424(b)(3) File Number 333-123906

#### **PROSPECTUS SUPPLEMENT NO. 11**

Prospectus Supplement No. 11 dated November 3, 2005 to Prospectus declared effective on April 21, 2005, as supplemented by **Prospectus Supplement No. 1** dated May 11, 2005 **Prospectus Supplement No. 2** dated May 12, 2005 **Prospectus Supplement No. 3** dated May 17, 2005 **Prospectus Supplement No. 4** dated July 19, 2005 **Prospectus Supplement No. 5** dated July 28, 2005 **Prospectus Supplement No. 6** dated July 28, 2005 **Prospectus Supplement No. 7** dated August 25, 2005 **Prospectus Supplement No. 8** dated September 12, 2005 **Prospectus Supplement No. 9** dated September 20, 2005 **Prospectus Supplement No. 10** Dated October 6, 2005 (Registration No. 333-123906)

#### **ANSWERS CORPORATION**

This Prospectus Supplement No. 11 supplements our Prospectus dated April 21, 2005, as supplemented by Prospectus Supplement No. 1 dated May 11, 2005, Prospectus Supplement No. 2 dated May 12, 2005, Prospectus Supplement No. 3 dated May 17, 2005, Prospectus Supplement No. 4 dated July 19, 2005, Prospectus Supplement No. 5 dated July 28, 2005, Prospectus Supplement No. 6 dated July 28, 2005, Prospectus Supplement No. 7 dated August 25, 2005, Prospectus Supplement No. 8 dated September 12, 2005, Prospectus Supplement No. 9 dated September 20, 2005 and Prospectus Supplement No. 10 dated October 6, 2005. The shares that are the subject of the Prospectus have been registered to permit their resale to the public by the selling stockholders named in the Prospectus. We are not selling any shares of common stock in this offering and therefore will not receive any proceeds from this offering, other than the exercise price, if any, to be received upon exercise of the warrants and options referred to in the Prospectus Supplement No. 11 together with the Prospectus and Prospectus Supplement No. 11 together with the Prospectus and Prospectus Supplements Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10 thereto.

This Prospectus Supplement No. 11 includes the following documents, as filed by us with the Securities and Exchange Commission:

## Edgar Filing: Answers CORP - Form 424B3

The attached Current Report on Form 8-K of Answers Corporation dated November 3, 2005.

Our common stock is listed on the Nasdaq National Market under the symbol "ANSW."

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this Prospectus Supplement. Any representation to the contrary is a criminal offense.

The date of this Prospectus Supplement No. 11 is November 3, 2005.

### UNITED STATES SECURITIES AND EXCHANGE COMMISSION WASHINGTON, DC 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): November 3, 2005

Answers Corporation

(Exact Name of Registrant as Specified in Its Charter)

**Delaware** 

(State or Other Jurisdiction of Incorporation)

#### 1-32255

(Commission File Number)

98-0202855 (IRS Employer Identification No.)

Jerusalem Technology Park The Tower Jerusalem, Israel 91481

(Address of Principal Executive Offices)

+972-2-649-5000

(Registrant's Telephone Number, Including Area Code)

**GuruNet Corporation** 

(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):

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o 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))

### Item 2.02 Results of Operations and Financial Condition

The following information, including Exhibit 99.1 attached hereto, is being furnished pursuant to this Item 2.02 and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

On November 3, 2005, Answers Corporation issued a press release discussing its financial results for its third quarter of 2005. A copy of the press release is furnished as Exhibit 99.1 to this current report on Form 8-K and incorporated herein by reference. A copy of the script from the conference call announcing the results is attached as Exhibit 99.2 to this current report on Form 8-K and incorporated herein by reference.

# Item 9.01 Financial Statements and Exhibits

Exhibit No.	Description
99.1	Press release of Answers Corporation dated November 3, 2005.
99.2	Script of conference call held on November 3, 2005, reporting
	financial results of Answers Corporation for the quarter ended
	September 30, 2005

### SIGNATURES

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

### ANSWERS CORPORATION

Dated: November 3, 2005

By: <u>/s/ Steven Steinberg</u> Steven Steinberg Chief Financial Officer

# EXHIBIT INDEX

Exhibit No. Description
99.1 Press release of Answers Corporation dated November 3, 2005.
99.2 Script of conference call held on November 3, 2005, reporting financial results of Answers Corporation for the quarter ended September 30, 2005

### Answers Corporation Announces Third Quarter 2005 Financial Results

### 40% Sequential Ad Revenue Growth, Loss Reduced from \$0.23 to \$0.15 Per Share

**New York, NY, November 3, 2005** - Answers Corporation (NASDAQ: ANSW), formerly known as GuruNet Corporation, creators of Answers.com<sup>TM</sup>, the answer-based search engine, today announced continued growth in its traffic, revenues and monetization for the third quarter ended September 30, 2005.

Revenues for the third quarter of 2005 rose to \$563,576, compared to \$424,552 in the second quarter of 2005, or 33% sequential growth, and compared with \$53,163, for the corresponding quarter a year earlier. The net loss in the third quarter of 2005 was \$1,090,355, compared to a net loss of \$1,601,986, for the second quarter of 2005, and compared to a net loss in the corresponding period of 2004 of \$2,168,527. The net loss, prior to non-cash charges for stock-based compensation and costs, in the third quarter of 2005, fell to \$985,182, compared to \$1,057,758 during the second quarter of 2005, and compared to \$2,164,794 in the third quarter of 2004. Basic and diluted net loss per common share was \$0.15 per share, compared to \$0.23 per share in the second quarter of 2005, and compared to \$1.26 per share in the corresponding period of 2004.

Cash and investment securities at quarter end were approximately \$18.9 million, and shareholder equity was approximately \$18.7 million.

Answers.com advertising revenues, which accounted for most of the Company's revenues, were \$500,000 for the third quarter of 2005, compared to \$357,000 in the second quarter of 2005, or 40% sequential growth, with over 40% of these advertising revenues generated in September.

"Answers.com advertising revenue rose in the third quarter of 2005, exceeding internal expectations, aided by a strong upswing in our September traffic and monetization, following the seasonally slow summer months." said Bob Rosenschein, Answers' CEO. "We have seen that Answers.com's rich reference content from over 100 sources is quite monetizable, with further growth to come. We expect to continue growing traffic through marketing, organic methods, and partnerships, and we plan to continue adding useful new content and enhancing the Answers.com website and product."

### **Business Outlook - Fourth Quarter 2005**

The following business outlook is based on the company's current information and expectations as of November 3, 2005. Answers undertakes no duty to update its business outlook until the release of its next quarterly and fiscal year 2005 earnings announcement.

Management expects fourth quarter 2005 revenues to climb sequentially by 42% - 55% from the third quarter of 2005 to approximately \$800,000 to \$875,000. Of this, over 95% will be from Answers.com proprietary traffic and distribution channels. The remainder will be from subscriptions previously sold and other income. Further, the company expects to increase its operating expenses relating to growing its business and internal operations and therefore anticipates the fourth quarter net operating loss to approximate or be moderately higher than the third quarter.

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A conference call to review the third quarter 2005 financial results will follow this release today at 4:30 PM EST. The company's management will host the call, and discuss its quarterly results and outlook. The call will be followed by a question and answer session. Investors are invited to listen to the conference call and the replay over the Internet through Answers' Website, within its Investor Relations page at http://ir.answers.com. To listen to the live call via webcast, please go to our Website at least 10 minutes early to connect and register. To dial in to listen and/or submit a question, please dial 888-889-2497 and request the Answers call. For those unable to listen to the live broadcast, a replay will be available on the site shortly after the call, and will remain available on the site for at least one week following the call.

### **About Answers**

Answers Corporation (NASDAQ: ANSW) operates a leading answer-based search engine, www.answers.com. Founded in 1999 by Bob Rosenschein, Answers provides patented technology and software tools to access concise information on demand. For additional information, visit <u>www.answers.com</u>. ANSWERS.COM is a trademark of Answers Corporation. All other marks belong to their respective owners.

### **Cautionary Statement**

Some of the statements included in this press release are forward-looking statements that involve a number of risks and uncertainties, including, but not limited to, statements regarding future market opportunity and future financial performance. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Important factors may cause our actual results to differ materially, including, but not limited to, our ability to increase the number of persons who use our products, our ability to increase the number of partners who will generate increased traffic to our sites, our ability to improve the monetization of our products, a decision by Google, Inc. to discontinue directing user traffic to <u>www.answers.com</u> through its definition link and other risk factors identified from time to time in our SEC filings, including, but not limited to, our registration statement on Form SB-2 filed in April 2005. Any forward-looking statements set forth in this news release speak only as of the date of this news release. We do not intend to update any of these forward-looking statements to reflect events or circumstances that occur after the date hereof. This press release and prior releases are available at <u>www.answers.com</u>. The information in Answers' website is not incorporated by reference into this press release and is included as an inactive textual reference only.

(Tables to follow)

### **Investor Contact:**

Bruce D Smith, CFA, VP Investor Relations and Strategic Development bruce@answers.com, +1-646-502-4780 **Press Contact:** 

Jay Bailey, Director of Marketing j@answers.com, +1-888-248-9613

# Selected Consolidated Financial Data (Unaudited)

# Statements of Operations:

	Three months ended September 30		Nine months ended September 30	
	2005	2004	2005	2004
	\$	\$	\$	\$
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	563,576	53,163	1,163,761	117,038
Costs and expenses <sup>(1)</sup> :				
Cost of revenue	251,254	157,854	711,051	433,612
Research and development	335,650	271,489	1,063,972	789,962
Sales and marketing	512,707	159,564	1,325,137	700,049
General and administrative	691,311	221,805	2,602,048	636,335
Total costs and expenses	1,790,922	810,712	5,702,208	2,559,958
Operating loss	(1,227,346)	(757,549)	(4,538,447)	(2,442,920)
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Interest income (expense), net	156,536	(1,397,322)	387,130	(3,247,774)
Other expense, net	(14,641)	(6,646)	(35,369)	(10,671)
Loss before income taxes	(1,085,451)	(2,161,517)	(4,186,686)	(5,701,365)
Income tax expenses	(4,904)	(7,010)	(10,579)	(34,023)
Net loss	(1,090,355)	(2,168,527)	(4,197,265)	(5,735,388)
Basic and diluted net loss per				

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common share	(0.15