

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

-----  
Amendment No. 1 on  
FORM 8-K/A-1

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934

Date of Report: January 15, 1999  
Date of earliest event reported: December 31, 1998

DELUXE CORPORATION

-----  
(Exact name of registrant as specified in its charter)

MINNESOTA	1-7945	41-0216800
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

3680 Victoria Street North, Shoreview, Minnesota	55126
(Address of principal executive offices)	(Zip Code)

651/483-7111

-----  
(Registrant's telephone number, including area code)

N/A

-----  
(Former name or former address, if changed since last report)

The information supplied under Item 2 and Item 7 of the Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on January 15, 1999 is hereby amended to read as follows:

Item 2. Acquisition or Disposition of Assets.

On December 31, 1998, pursuant to a stock and asset purchase agreement entered into on the same date, Deluxe Corporation sold all of the issued and outstanding capital stock of PaperDirect, Inc., which had been a wholly-owned subsidiary of the Company ("PaperDirect"), and all of the assets and liabilities of the Social Expressions division of Current, Inc., another wholly-owned subsidiary of the Company ("Social Expressions"), to SE/PDI Acquisition Corporation, a Minnesota corporation of which Glen A. Taylor, a resident of Minnesota, is the ultimate parent entity. The combined purchase price for both the capital stock of PaperDirect and the assets of Social Expressions was \$77,100,000 in cash and the assumption of \$9,847,000 in Current, Inc. liabilities.

Item 7. Financial Statements and Exhibits

None.

(b) Pro forma financial information filed as part of this report:

On December 31, 1998, the Company completed the sale of PaperDirect and Social Expressions. These businesses primarily sold specialty paper, greeting cards, and stationery products through direct mail.

The following unaudited pro forma consolidated financial statements reflect the pro forma results of the Company as if the transaction had been completed at an earlier date. These statements should be read in conjunction with the unaudited consolidated financial statements and notes thereto included in the Company's Quarterly Report on Form 10-Q for the period ended September 30, 1998 and the audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 1997. The

pro forma information may not be indicative of what the financial condition or results of operations of the Company would have been had the sale been completed on the dates assumed, nor is such information necessarily indicative of the financial condition or results of future operations of the Company.

2

(1) Pro forma consolidated statement of income (unaudited) for the year ended December 31, 1997:

DELUXE CORPORATION AND SUBSIDIARIES

PRO FORMA CONSOLIDATED INCOME STATEMENT

Year Ended December 31, 1997  
(Unaudited)

<TABLE>  
<CAPTION>

(In millions)

	Pro Forma Adjustments			Deluxe Corporation Pro Forma
	Deluxe Corporation Historical	I	II	
<S>	<C>	<C>	<C>	<C>
NET SALES	\$ 1,919.4	\$ (231.2)		\$ 1,688.2
OPERATING EXPENSES				
Cost of sales	883.2	(108.8)		774.4
Selling, general and administrative	797.6	(124.1)		673.5
Goodwill impairment charge	82.9	(70.5)		12.4
Total	1,763.7	(303.4)		1,460.3
INCOME FROM OPERATIONS	155.7	72.2		227.9
OTHER EXPENSE				
Other expense	31.7	.4		32.1
Interest expense	8.8			8.8
INCOME BEFORE INCOME TAXES	115.2	71.8		187.0
PROVISION FOR INCOME TAXES	70.5		10.7	81.2
NET INCOME	\$ 44.7	\$ 71.8	\$ (10.7)	\$ 105.8
NET INCOME PER COMMON SHARE				
- -- Basic and Diluted	\$ 0.55	\$ 0.88	\$ (0.13)	\$ 1.29

See Notes to Pro Forma Consolidated Income Statements

3

(2) Pro forma consolidated statement of income (unaudited) for the nine months ended September 30, 1998:

DELUXE CORPORATION AND SUBSIDIARIES

PRO FORMA CONSOLIDATED INCOME STATEMENT

Nine Months Ended September 30, 1998  
(Unaudited)

<TABLE>  
<CAPTION>

(In millions)

	Pro Forma Adjustments			Deluxe Corporation Pro Forma
	Deluxe Corporation Historical	I	II	
<S>	<C>	<C>	<C>	<C>
NET SALES	\$1,433.5	\$ (149.9)		\$1,283.6

OPERATING EXPENSES			
Cost of sales	693.2	(71.3)	621.9
Selling, general and administrative	596.5	(83.7)	512.8
	-----		
Total	1,289.7	(155.0)	1,134.7
	-----		
INCOME FROM OPERATIONS			
	143.8	5.1	148.9
OTHER INCOME (EXPENSE)			
Other income	13.6	(1.0)	12.6
Interest expense	(6.3)		(6.3)
	-----		
INCOME BEFORE INCOME TAXES	151.1	4.1	155.2
PROVISION FOR INCOME TAXES	62.4		63.8
	-----		
NET INCOME	\$ 88.7	\$ 4.1	\$ 91.4
	=====		
NET INCOME PER COMMON SHARE			
- -- Basic and Diluted	\$ 1.10	\$ 0.05	\$ 1.13

See Notes to Pro Forma Consolidated Income Statements

4

#### NOTES TO PRO FORMA CONSOLIDATED INCOME STATEMENTS

1. Basis of Presentation - The Pro Forma Consolidated Income Statements assume that the sale of PaperDirect and Social Expressions, as described in Item 2 of this Report on Form 8-K/A-1 dated March 5, 1999, occurred as of January 1, 1997.
2. Pro Forma Adjustments:
  - I. Reflects the elimination of the PaperDirect and Social Expressions businesses historical results of operations, as previously included in the Company's consolidated statements of income.
  - II. Reflects the tax effects related to the elimination of PaperDirect and Social Expressions historical results of operations. For the nine months ended September 30, 1998, the effective tax rate used is the statutory rate of 35 percent. For the year ended December 31, 1997, tax expense was recalculated to reflect the actual tax impact of the elimination of the results of the businesses sold.
3. No assumptions were made in the pro forma consolidated income statements concerning the use of the cash received in consideration for the sale of the businesses.

5

(3) Pro forma condensed consolidated balance sheet (unaudited) as of September 30, 1998.

#### DELUXE CORPORATION AND SUBSIDIARIES

#### PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

September 30, 1998  
(Unaudited)

<TABLE>  
<CAPTION>

(In millions)

	Pro Forma Adjustments			
	Deluxe Corporation Historical	I	II	Deluxe Corporation Pro Forma
	-----			
	<C>	<C>	<C>	<C>
	-----			
CURRENT ASSETS				

Cash and cash equivalents	\$ 150.2	\$ 77.1		\$ 227.3
Marketable securities	17.5			17.5
Accounts receivable	157.9	(6.2)		151.7
Inventories	50.4	(26.6)		23.8
Other current assets	122.9	(18.4)		104.5
<b>Total current assets</b>	<b>498.9</b>	<b>25.9</b>		<b>524.8</b>
LONG-TERM INVESTMENTS	46.2			46.2
PROPERTY, PLANT AND				
EQUIPMENT -- NET	400.7	(42.4)		358.3
INTANGIBLES -- NET	198.7	(4.7)		194.0
<b>TOTAL ASSETS</b>	<b>\$1,144.5</b>	<b>\$ (21.2)</b>		<b>\$1,123.3</b>
CURRENT LIABILITIES	\$ 418.4	\$ (14.5)	\$ (3.4)	\$ 400.5
LONG-TERM DEBT	109.8			109.8
OTHER LONG-TERM LIABILITIES	41.2	2.9		44.1
SHAREHOLDERS' EQUITY				
Common Stock	80.3			80.3
Retained Earnings	495.1	(9.6)	3.4	488.9
Unearned compensation	(.3)			(.3)
Net unrealized gain -- marketable securities	.2			.2
Cumulative translation adjustment	(.2)			(.2)
<b>Total shareholders' equity</b>	<b>575.1</b>	<b>(9.6)</b>	<b>3.4</b>	<b>568.9</b>
<b>TOTAL LIABILITIES AND</b>				
<b>  SHAREHOLDERS' EQUITY</b>	<b>\$1,144.5</b>	<b>\$ (21.2)</b>	<b>\$ 0.0</b>	<b>\$1,123.3</b>

</TABLE>

See Notes to Pro Forma Condensed Consolidated Balance Sheet

6

NOTES TO PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

1. Basis of Presentation - The Pro Forma Condensed Consolidated Balance Sheet assumes that the sale of PaperDirect and Social Expressions, as described in Item 2 of this Report on Form 8-K/A-1 dated March 5, 1999, occurred on September 30, 1998.
2. Pro Forma Adjustments:
  - I. Reflects the sale of the Company's equity interest in PaperDirect and the assets of Social Expressions, as well as all costs resulting from the sale. Cash consideration received is shown prior to any related transaction costs, as such costs are assumed to be paid subsequent to the sale date.
  - II. Reflects the tax related to the pre-tax loss on disposal. The effective tax rate used is the statutory rate of 35 percent.
3. Had the businesses been sold on September 30, 1998, the loss recognized on the sale would have been \$9.6 million. The actual loss on the sale recognized as of December 31, 1998 was \$10.5 million.

(c) The following exhibit is filed as a part of this report:

Exhibit No.	Description	Method of Filing
10.21	Stock and Asset Purchase Agreement made as of December 31, 1998 among Deluxe Corporation, Current, Inc., a Colorado corporation and a wholly-owned subsidiary of Deluxe Corporation, SE/PDI Acquisition Corporation, a Minnesota corporation and Taylor Corporation, a Minnesota corporation.	Filed herewith

7

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.

Date: March 4, 1999

DELUXE CORPORATION

(Registrant)

/s/ Thomas W. VanHimbergen

-----  
Senior Vice President and Chief  
Financial Officer  
(Chief Accounting Officer)