

AVNET INC  
Form 424B7  
February 09, 2006

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**Filed Pursuant to Rule 424(b)(7)  
Registration No. 333-130783**

**PROSPECTUS SUPPLEMENT  
(To the Prospectus dated February 3, 2006)**

**15,700,000 Shares**

**Avnet, Inc.**

**Common Stock**

This is a public offering of shares of common stock of Avnet, Inc. The shares of common stock covered by this prospectus supplement were initially issued to the selling shareholders in connection with our acquisition of Memec Group Holdings Limited, which closed on July 5, 2005. We will not receive any proceeds from this offering.

Avnet's common stock is listed on the New York Stock Exchange under the symbol AVT. On February 8, 2006, the last reported sale price of our common stock on the New York Stock Exchange was \$24.65 per share.

Our principal executive offices are located at 2211 South 47th Street, Phoenix, Arizona 85034, telephone (480) 643-2000.

**See Risk Factors on page 4 of the accompanying prospectus to read about factors you should consider before buying shares of the common stock.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement is truthful or complete. Any representation to the contrary is a criminal offense.**

	<b>Price to Public</b>	<b>Underwriting Discounts and Commissions</b>	<b>Proceeds to Selling Shareholders</b>
Per Share	\$ 24.00	\$ 0.84	\$ 23.16
Total	\$ 376,800,000	\$ 13,188,000	\$ 363,612,000

To the extent that the underwriters sell more than 15,700,000 shares of common stock, the underwriters have the option to purchase up to an additional 2,257,367 shares from the selling shareholders at the public offering price less the underwriting discounts and commissions.

The underwriters expect to deliver the shares against payment in New York, New York on February 14, 2006.

**Goldman, Sachs & Co.**

**Credit Suisse**

**Banc of America Securities LLC**

**Raymond James**

**Thomas Weisel Partners LLC**

Prospectus supplement dated February 8, 2006.

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**No dealer, salesperson or other person is authorized to give any information or to represent anything not contained or incorporated by reference in this prospectus supplement or the accompanying prospectus. You must not rely on any unauthorized information or representations. This prospectus supplement and the accompanying prospectus is an offer to sell only the shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. If information in this prospectus supplement is inconsistent with the accompanying prospectus, you should rely on this prospectus supplement. You should not assume that the information provided by this prospectus supplement and in the accompanying prospectus or the documents incorporated by reference in this prospectus supplement and in the accompanying prospectus is accurate as of any date other than their respective dates.**

### Explanatory Note

Of the 17,957,367 shares offered hereby, 4,756,150 of such shares held by the selling shareholders were originally registered on the prospectus supplement filed pursuant to Rule 424(b)(5) on December 30, 2005 (Registration No. 333-130783). However, the holders of such shares may instead sell the previously registered 4,756,150 shares pursuant to the underwritten offering contemplated hereby. As such, we have applied the filing fee paid in connection with the 4,756,150 shares previously registered to the aggregate filing fee payable hereunder. Please note that in the event that any of the previously registered shares are not sold hereunder, the selling shareholders may sell such shares

pursuant to the prospectus supplement filed on December 30, 2005.

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We are the world's largest industrial distributor, based on sales, of electronic components, enterprise computer products and embedded subsystems. We create a vital link in the technology supply chain that connects over 300 of the world's leading electronic component and computer product manufacturers and software developers as a single source for multiple products to a global customer base of over 100,000 original equipment manufacturers, contract manufacturers, original design manufacturers, value-added resellers and end-users. We distribute electronic components, computer products and software as received from our suppliers or with assembly or other value added by us. Additionally, we provide engineering design, materials management and logistics services, system integration and configuration, and supply chain advisory services.

Our business is comprised of two operating groups called Electronic Marketing, or EM, and Technology Solutions, or TS. EM markets and sells semiconductors and interconnect, passive and electromechanical devices, and also offers an array of value-added services to its customers, such as supply-chain management, engineering design, inventory replenishment systems, connector and cable assembly and semiconductor programming. EM markets and sells its products and services to a diverse customer base spread across end-markets, including communications, computer hardware and peripheral, industrial and manufacturing, medical equipment, military and aerospace.

Our TS business markets and sells mid- to high-end servers, data storage, software and networking solutions, and the services required to implement these solutions to the value-added reseller channel and enterprise computing customers. TS also focuses on the worldwide original equipment manufacturer or OEM, market for computing technology, system integrators and non-PC OEMs that require embedded systems and solutions including engineering, product prototyping, integration and other value-added services.

**SUMMARY FINANCIAL INFORMATION AND OTHER DATA**

The summary consolidated financial data below is derived from our consolidated financial statements. We refer you to those financial statements, accompanying notes and management's discussion and analysis, which are incorporated by reference in this prospectus supplement and the accompanying prospectus. This summary financial information should be read in conjunction with the footnotes below as there are various special items recorded in certain of the periods presented.

	<b>Fiscal Years Ended</b>			<b>Six Months Ended</b>	
	<b>July 2, 2005</b>	<b>July 3, 2004(1)(2)</b>	<b>June 27, 2003(3)(4)</b>	<b>December 31, 2005(5)(6)(7)</b>	<b>January 1, 2005</b>
	<b>(In millions)</b>				
<b>Statement of Operations Data:</b>					
Sales	\$ 11,066.8	\$ 10,244.7	\$ 9,048.4	\$ 7,027.4	\$ 5,483.2
Cost of sales(6)	9,607.8	8,879.9	7,833.5	6,142.3	4,759.7
Gross profit	1,459.0	1,364.8	1,214.9	885.1	723.5
Selling, general and administrative expenses (5)	1,137.7	1,107.0	1,095.4	680.2	566.5
Restructuring and other charges (1) (3) (6)		55.6	106.8	23.0	

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Integration costs (6)				15.7	
Operating income	321.3	202.2	12.7	166.2	157.0
Other income, net	3.5	7.1	26.2	4.8	0.4
Interest expense	(85.1)	(94.5)	(104.8)	(46.8)	(42.1)
Debt extinguishment costs (2) (4) (7)		(16.4)	(13.5)	(11.7)	
Income (loss) before income taxes	239.7	98.4	(79.4)	112.5	115.3
Income tax provision (benefit)	71.5	25.5	(33.3)	38.0	35.5
Net income (loss)	\$ 168.2	\$ 72.9	\$ (46.1)	\$ 74.5	\$ 79.8

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	As of the Fiscal Year Ended			As of the Quarter Ended	
	July 2, 2005	July 3, 2004	June 27, 2003	December 31, 2005	January 1, 2005
	(In millions)				
<b>Balance Sheet Data:</b>					
Cash and cash equivalents	\$ 637.9	\$ 312.7	\$ 395.5	\$ 219.1	\$ 547.0
Working capital	2,065.4	1,839.0	1,820.0	1,856.9	2,081.6
Total assets	5,098.2	4,863.6	4,499.5	6,155.5	5,272.8
Total debt	1,244.5	1,356.8	1,466.1	1,309.4	1,344.3
Total liabilities	3,001.2	2,910.2	2,667.0	3,555.5	3,104.2
Shareholders equity	2,097.0	1,953.4	1,832.5	2,600.0	2,168.6

- (1) Includes the impact of restructuring and other charges recorded in the first and second quarters of fiscal 2004 in connection with cost cutting initiatives and the combination of the Computer Marketing and Applied Computing operating groups into one operating group called Technology Solutions. These charges included severance costs, charges for consolidation of certain owned and leased facilities, write-offs of certain capitalized information technology initiatives, the impairment of owned assets in our European operations, and the write-off of remaining unamortized deferred loan costs associated with our multi-year credit facility terminated in September 2003. These restructuring and other charges amounted to \$55.6 million pre-tax, all of which was included as a component of operating expenses, and \$38.6 million after-tax.
- (2) During the third quarter of fiscal 2004, we incurred debt extinguishment costs associated with the cash tender offer for \$273.4 million of our 77/8% notes due February 15, 2005. These charges amounted to \$16.4 million pre-tax and \$14.2 million after-tax.
- (3) Includes the impact of restructuring and other charges recorded during the second quarter of fiscal 2003 related to certain actions taken as part of our cost-reduction initiatives. The charges related to severance costs, consolidation of selected facilities and the discontinuation of certain information technology initiatives. The charges totaled \$106.8 million pre-tax (all of which is included as a component of operating expenses) and \$65.8 million after-tax.
- (4) During the third quarter of fiscal 2003, we incurred debt extinguishment costs associated with the cash tender offers and repurchases of \$159.0 million of our 6.45% notes due August 15, 2003 and \$220.1 million of our 8.20% notes due October 17, 2003. These charges totaled \$13.5 million pre-tax and \$8.2 million after tax.
- (5) During the first quarter of fiscal 2006, we adopted Statement of Financial Accounting Standards No. 123R, which requires all stock-based payments to employees to be expensed. As a result, selling, general and administrative expenses in the six months ended December 31, 2005 include incremental compensation costs as compared with the first six months of the prior year totaling \$7.8 million pre-tax and \$4.9 million after tax.
- (6) Includes the impact of restructuring and other charges and integration costs recorded during the six months ended December 31, 2005, resulting primarily from the integration of Memec, which we acquired on July 5, 2005. The restructuring and other charges related primarily to writedowns of inventory for terminated lines severance costs, facility exit costs and writedowns of certain information technology initiatives. The integration costs related to certain incremental salary, professional fees and other costs incurred as a direct result of the efforts to integrate the Memec organization. The restructuring and other charges totaled \$30.5 million pre-tax (\$7.5 million of which



is recorded in cost of sales) and \$20.6 million after tax. The integration costs totaled \$15.7 million pre-tax and \$10.8 million after tax.

- (7) During the six months ended December 31, 2005, we incurred debt extinguishment costs associated with the tender offer and repurchase of \$254.1 million of our 8% notes due November 15, 2006. These charges totaled \$11.7 million pre-tax and \$7.1 million after tax.

#### **USE OF PROCEEDS**

We will not receive any of the proceeds from the sale of the common stock in this offering.

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**Table of Contents****SELLING SHAREHOLDERS**

We are registering 17,957,367 shares of our common stock in connection with the public offering of such shares by the underwriters. The shares of our common stock covered by this prospectus supplement were initially issued in connection with the acquisition of Memec Group Holdings Limited, which closed on July 5, 2005. We agreed to register these shares pursuant to the registration rights agreement, dated as of July 5, 2005, by and between our company and the selling shareholders.

The following table sets forth certain information of each selling shareholder with respect to the number of shares of our common stock that are beneficially owned by it, the number of shares of our common stock that may be offered for resale for the account of each selling shareholder pursuant to this prospectus supplement and the number of shares of our common stock to be held by each selling shareholder assuming the sale of all of the shares by it. Such amounts are shown assuming no exercise and full exercise of the underwriters' option to purchase additional shares. Percentage ownership is based on 146,281,787 shares of common stock outstanding, which excludes treasury shares, as of February 2, 2006.

Unless otherwise described below, to our knowledge, no selling shareholder or any of its respective affiliates has held any position of office with, been employed by or otherwise had any material relationship with us or our affiliates during the three years prior to the date of this prospectus supplement.

Name of Selling Shareholder	Shares Beneficially Owned		Shares Offered By This Prospectus Supplement(2)	Shares Beneficially Owned Subsequent to the Offering		Shares Beneficially Owned Subsequent to the Offering Full Exercise	
	Prior to the Offering(1) Shares	Percent		No Exercise Shares	Percent	Shares	Percent
Permira funds	17,957,367(3)	12.28%	17,957,367(3)	2,257,367(4)	1.54%		%

(1) Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. Shares of common stock subject to warrants which are currently exercisable are deemed outstanding for computing the percentage of the person or entity holding such securities but are not deemed outstanding for computing the percentage of any other person or entity. To our knowledge the persons named in the table above have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them except as noted otherwise.

(2) Includes 2,257,367 shares subject to the underwriters option to purchase additional shares.

(3) Includes 16,153,797 shares held by Permira Europe II Nominees Limited, 1,173,350 shares held by Permira UK Venture IV Nominees Limited, and 630,220 shares held by SV (Nominees) Limited. The shares held of record by Permira Europe II Nominees Limited include (i) 15,997,914 shares held on behalf of four limited partnerships that comprise Permira Europe II, and (ii) 155,883 shares held on behalf of the Permira Europe II Co-Investment

Scheme. Permira (Europe) Limited is the general partner of Permira Europe II Managers L.P., which is the general partner of each of the limited partnerships comprising Permira Europe II. The shares held of record by Permira UK Venture IV Nominees Limited include (i) 1,163,468 shares held on behalf of one trust and two limited partnerships that comprise the Permira UK Venture Fund IV, and (ii) 9,882 shares held on behalf of the Schroder UK Venture Fund IV Co-Investment Scheme. Schroder Venture Managers (Guernsey) Limited acts as the manager of Schroder Venture Managers, Inc., the general partner of the two limited partnerships, and Barings (Guernsey) Limited, the trustee of the trust, which together comprise the Permira UK Venture Fund IV. The shares held of record by SV (Nominees) Limited are held as nominee for Schroder Ventures Investment Limited. Peter Smitham, a director of Avnet, is (i) a director of Permira (Europe) Limited, (ii) a participant in the Permira Europe II Co- Investment Scheme, (iii) a participant in the Schroder Ventures UK Venture IV Co-Investment Scheme, (iv) a shareholder in Schroder Ventures Investment Limited and (v) a limited partner of Permira Europe II Managers L.P. Mr. Smitham disclaims beneficial ownership of the shares held by Permira Europe II Nominees Limited, Permira UK Venture IV Nominees Limited and SV (Nominees) Limited, except to the extent of his pecuniary interest in those entities. The address of each of Permira Europe II, Permira UK Venture Fund IV and Schroder Ventures Investment Limited is PO Box 71, Trafalgar Court, Les Banques, St. Peter Port, Guernsey, Channel Islands, GY1 3QL.

- (4) Includes 2,030,646 shares held by Permira Europe II Nominees Limited, 147,498 shares held by Permira UK Venture IV Nominees Limited, and 79,223 shares held by SV (Nominees) Limited.

**Table of Contents****UNDERWRITING**

Under the terms and subject to the conditions contained in an underwriting agreement dated February 8, 2006, the selling shareholders have agreed to sell to the underwriters named below, for whom Goldman, Sachs & Co., Credit Suisse Securities (USA) LLC and Banc of America Securities LLC are acting as representatives, the following respective numbers of shares of common stock:

<b>Underwriter</b>	<b>Number of Shares</b>
Goldman, Sachs & Co.	5,887,500
Credit Suisse Securities (USA) LLC	5,887,500
Banc of America Securities LLC	2,355,000
Raymond James & Associates, Inc	785,000
Thomas Weisel Partners LLC	785,000
 Total	 15,700,000

The underwriting agreement provides that the underwriters are obligated to purchase all the shares of common stock in the offering if any are purchased, other than those covered by the option described below. The underwriting agreement also provides that if an underwriter defaults the purchase commitments of non-defaulting underwriters may be increased or the offering may be terminated.

The selling shareholders have granted to the underwriters a 30-day option to purchase on a pro rata basis up to 2,257,367 additional shares at the initial public offering price less the underwriting discounts and commissions.

The underwriters propose to offer the shares of common stock initially at the public offering price on the cover page of this prospectus supplement and to selling group members at that price less a selling concession of \$0.504 per share. The underwriters and selling group members may allow a discount of \$0.10 per share on sales to other broker/dealers. After the public offering the representatives may change the public offering price and concession and discount to broker/dealers.

The following table shows the per share and total underwriting discounts and commissions to be paid to the underwriters by the selling shareholders. Such amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional shares:

<b>Paid by the Selling Shareholders</b>	<b>No Exercise</b>	<b>Full Exercise</b>
Per Share	\$ 0.84	\$ 0.84
Total	\$ 13,188,000	\$ 15,084,188

The expenses of the offering that are payable by us are estimated to be \$408,150 (exclusive of underwriting discounts and commissions).

We have agreed that we will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, or file with the Securities and Exchange Commission a registration statement under the Securities Act of 1933 (the Securities Act) relating to, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing, without the prior written consent of Goldman, Sachs & Co., Credit Suisse Securities (USA) LLC and Banc of America Securities LLC for a period of 81 days after the date of this prospectus supplement, except issuances pursuant to the exercise of employee stock options outstanding on the date hereof or pursuant to our incentive stock plan.

The selling shareholders have agreed that they will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, enter into a transaction that would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of

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ownership of our common stock, whether any of these transactions are to be settled by delivery of our common stock or other securities, in cash or otherwise, or publicly disclose the intention to make any offer, sale, pledge or disposition, or to enter into any transaction, swap, hedge or other arrangement, without, in each case, the prior written consent of Goldman, Sachs & Co., Credit Suisse Securities (USA) LLC and Banc of America Securities LLC for a period of 81 days after the date of this prospectus supplement.

Although none of our officers have entered into contractual lock-up agreements with the underwriters in connection with this offering, we have agreed to use our best efforts to ensure that certain of our officers will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, enter into a transaction that would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of our common stock, whether any of these transactions are to be settled by delivery of our common stock or other securities, in cash or otherwise, or publicly disclose the intention to make any offer, sale, pledge or disposition, or to enter into any transaction, swap, hedge or other arrangement, without, in each case, our prior written consent until and including April 30, 2006. These restrictions do not apply, however, to an aggregate of 1,000,000 shares of our common stock owned by these officers.

We and the selling shareholders have agreed to indemnify the underwriters against liabilities under the Securities Act, or contribute to payments that the underwriters may be required to make in that respect.

The underwriters and/or their affiliates have provided and in the future may continue to provide investment banking, commercial banking and/or other financial services, including the provision of credit facilities, to us in the ordinary course of business for which they have received and will receive customary compensation. Affiliates of Credit Suisse Securities (USA) LLC and Banc of America Securities LLC were underwriters of our 6.00% notes due 2015 issued in August 2005 and served as dealer managers of our tender offer for up to \$250 million aggregate principal amount of our 8.00% notes due November 15, 2006 in September 2005. In addition, an affiliate of Banc of America Securities LLC serves as administrative agent under our credit agreement dated as of October 15, 2005 and affiliates of Credit Suisse Securities (USA) LLC and Banc of America Securities LLC are lenders under this credit agreement. Banc of America Securities LLC also acted as our financial advisor in our acquisition of Memec in July 2005.

In connection with the offering the underwriters may engage in stabilizing transactions, over-allotment transactions, syndicate covering transactions and penalty bids in accordance with Regulation M under the Securities Exchange Act of 1934 (the Exchange Act).

Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.

Over-allotment involves sales by the underwriters of shares in excess of the number of shares the underwriters are obligated to purchase, which creates a syndicate short position. The short position may be either a covered short position or a naked short position. In a covered short position, the number of shares over-allotted by the underwriters is not greater than the number of shares that they may purchase in the over-allotment option. In a naked short position, the number of shares involved is greater than the number of shares in the over-allotment option. The underwriters may close out any covered short position by either exercising their over-allotment option and/or purchasing shares in the open market.

Syndicate covering transactions involve purchases of the common stock in the open market after the distribution has been completed in order to cover syndicate short positions. In determining the source of shares to close out the short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the over-allotment

option. If the underwriters sell more shares than could be covered by the over-allotment option, a naked short position, the position can only be closed out by buying shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there could be downward pressure on the price of the shares in the open market after pricing that could adversely affect investors who purchase in the offering.

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Penalty bids permit the representatives to reclaim a selling concession from a syndicate member when the common stock originally sold by the syndicate member is purchased in a stabilizing or syndicate covering transaction to cover syndicate short positions.

These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of the common stock. As a result the price of our common stock may be higher than the price that might otherwise exist in the open market. These transactions may be effected on The New York Stock Exchange or otherwise and, if commenced, may be discontinued at any time.

Each of the underwriters has represented and agreed that:

(a) it has not made or will not make an offer of shares to the public in the United Kingdom within the meaning of section 102B of the Financial Services and Markets Act 2000 (as amended) (FSMA) except to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities or otherwise in circumstances which do not require the publication by the company of a prospectus pursuant to the Prospectus Rules of the Financial Services Authority (FSA);

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) to persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or in circumstances in which section 21 of FSMA does not apply to the company; and

(c) it has complied with, and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the shares in, from or otherwise involving the United Kingdom.

## **European Economic Area**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), each underwriter has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the Relevant Implementation Date) it has not made and will not make an offer of shares of common stock to the public in that Relevant Member State prior to the publication of a prospectus in relation to the common stock which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of shares of common stock to the public in that Relevant Member State at any time:

(a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than 43,000,000 and (3) an annual net turnover of more than 50,000,000, as shown in its last annual or consolidated accounts; or

(c) in any other circumstances which do not require the publication by us of a prospectus pursuant to Article 3 of the Prospectus Directive.



For the purposes of this provision, the expression an offer of shares of common stock to the public in relation to any shares common stock in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase or subscribe the shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

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The shares may not be offered or sold by means of any document other than to persons whose ordinary business is to buy or sell shares or debentures, whether as principal or agent, or in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong, and no advertisement, invitation or document relating to the shares may be issued, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder.

This prospectus supplement has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus supplement and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the SFA), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the shares under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

The securities have not been and will not be registered under the Securities and Exchange Law of Japan (the Securities and Exchange Law) and each underwriter has agreed that it will not offer or sell any securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

A prospectus in electronic format may be made available on the web sites maintained by one or more of the underwriters, or selling group members, if any, participating in this offering and one or more of the underwriters participating in this offering may distribute prospectuses electronically. The representatives may agree to allocate a number of shares to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the underwriters and selling group members that will make internet distributions on the same basis as other allocations.

## **NOTICE TO CANADIAN RESIDENTS**

### **Resale Restrictions**

The distribution of the common stock in Canada is being made only on a private placement basis exempt from the requirement that we and the selling shareholders prepare and file a prospectus with the securities regulatory authorities

in each province where trades of common stock are made. Any resale of the common stock in Canada must be made under applicable securities laws which will vary depending on the relevant jurisdiction, and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the common stock.

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**Representations of Purchasers**

By purchasing common stock in Canada and accepting a purchase confirmation a purchaser is representing to us, the selling shareholders and the dealer from whom the purchase confirmation is received that: