ANIXTER INC
Form 424B5
April 24, 2012
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This preliminary prospectus supplement relates to an effective registration statement under the Securities Act of 1933, but the information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Filed pursuant to Rule 424(b)(5)
File Nos. 333-180905 and 333-180905-01

PRELIMINARY PROSPECTUS SUPPLEMENT **SUBJECT TO COMPLETION, DATED APRIL 24, 2012**
(to Prospectus dated April 24, 2012)

Anixter Inc.

$350,000,000

% Senior Notes due 2019

Fully and Unconditionally Guaranteed by

Anixter International Inc.

Anixter Inc. (Anixter) is offering $350,000,000 of its % Senior Notes due 2019 (the Notes). Anixter will pay interest on the Notes on and of each year, beginning , 2012. The Notes will mature on , 2019. Anixter may at any time redeem some or all of the Notes at a price equal to 100% of the principal amount of the Notes plus a make-whole premium. If Anixter experiences certain kinds of changes of control, it must offer to repurchase all of the Notes outstanding at 101% of the aggregate principal amount of the Notes repurchased, plus accrued and unpaid interest.

Payments on the Notes will be fully and unconditionally guaranteed by Anixter International Inc., the direct parent company of Anixter (Anixter International). The Notes will be unsecured obligations of Anixter and will rank equally with Anixter s existing and future unsecured senior indebtedness. The guarantee will be an unsecured obligation of Anixter International and will rank equally with Anixter International s existing and future unsecured senior indebtedness.

Investing in the Notes involves risk. See Risk Factors beginning on page S-10 of this prospectus supplement.

	Per Note	Total
Public offering price(1)	%	$
Underwriting discounts and commissions	%	$
Proceeds, before expenses, to Anixter	%	$

(1) Plus accrued interest, if any, from , 2012.

The Notes will not be listed on any securities exchange. Currently, there is no public market for the Notes.

We expect that delivery of the Notes will be made to investors through the book-entry delivery system of The Depository Trust Company for the account of its participants, including Clearstream Banking, société anonyme and the Euroclear Bank S.A./N.V., on or about , 2012.

None of the Securities and Exchange Commission, any state securities commission or any other regulatory body has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Joint Book-running Managers

Wells Fargo Securities

BofA Merrill Lynch

J.P. Morgan

RBS

Co-manager

UBS Investment Bank

The date of this prospectus supplement is April , 2012

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PROSPECTUS SUPPLEMENT

PROSPECTUS

You should rely only on the information contained in this document or to which we have referred you. We have not authorized anyone to provide you with information that is different. We are not making an offer to sell these securities in any jurisdiction where the offer or sale of these securities is not permitted. This document may only be used where it is legal to sell these securities. The information in this document may only be accurate on the date of this document.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first is this prospectus supplement, which describes the specific terms of this offering. The second part, the accompanying prospectus, gives more general information, some of which may not apply to this offering. If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

It is important for you to read and consider all of the information contained in this prospectus supplement and the accompanying prospectus in making your investment decision. You should also read and consider the information in the documents to which we have referred you in Incorporation by Reference in this prospectus supplement and Where You Can Find More Information on page 2 of the accompanying prospectus.

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INCORPORATION BY REFERENCE

The Securities and Exchange Commission (the SEC) allows us to incorporate by reference information into this prospectus supplement and the accompanying prospectus. This means that we can disclose important information to you by referring you to another document that Anixter International has filed separately with the SEC that contains that information. The information incorporated by reference is considered to be part of this prospectus supplement and the accompanying prospectus. Information that Anixter International files with the SEC after the date of this prospectus supplement will automatically modify and supersede the information included or incorporated by reference in this prospectus supplement and the accompanying prospectus to the extent that the subsequently filed information modifies or supersedes the existing information. We incorporate by reference:

- our Annual Report on Form 10-K for the fiscal year ended December 30, 2011;
- our current report on Form 8-K filed on February 24, 2012;
- our current report on Form 8-K filed on March 27, 2012; and
- any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act), until we sell all of the securities offered by the prospectus supplement.

You may request a copy of any of these filings at no cost by writing to or telephoning us at the following address and telephone number: Anixter International Inc., 2301 Patriot Boulevard, Glenview, Illinois 60026, attention Treasurer, telephone: (224) 521-8000.

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FORWARD-LOOKING STATEMENTS

This prospectus supplement may contain various forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Exchange Act, which can be identified by the use of forward-looking terminology such as believes, expects, intends, anticipates, contemplates, estimates, plans, projects, should, may or similar expressions, includi thereof, or other variations thereon or comparable terminology indicating our expectations or beliefs concerning future events. Such statements are subject to a number of factors that could cause our actual results to differ materially from what is indicated in this prospectus supplement. These factors include general economic conditions; changes in supplier relationships; risks associated with the sale of nonconforming products and services; political, economic and currency risks of non-U.S. operations; inventory and accounts receivable risk; copper price fluctuations; risks associated with the integration of acquired companies; capital project volumes; and other factors identified herein under the heading Risk Factors , and in our reports filed with the SEC under the Exchange Act, including under Item 1A, Risk Factors in our Annual Report on Form 10-K for the year ended December 30, 2011.

We undertake no obligation to update these forward-looking statements as a result of any events or circumstances after the date made or to reflect the occurrence of unanticipated events.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights certain information appearing elsewhere in this document. This summary is not complete and does not contain all of the information that you should consider before purchasing the Notes. You should carefully read the Risk Factors section beginning on page S-10 of this prospectus supplement to determine whether an investment in our Notes is appropriate for you. Unless otherwise indicated or the context requires otherwise, references to Anixter are to Anixter Inc. and its subsidiaries, and references to we, us or our refer collectively to Anixter International and its subsidiaries including Anixter Inc.

Anixter International Inc.

Overview. Through a combination of our service capabilities and a portfolio of products from industry-leading manufacturers, we are a leading global distributor of data, voice, electrical, video and security network communication products and the largest North American distributor of specialty wire and cable products. In addition, we are a leading distributor of C Class inventory components which are incorporated into a wide variety of end-use applications and include screws, bolts, nuts, washers, pins, rings, fittings, springs, electrical connectors and similar small parts, the majority of which are specialized or highly engineered for particular customer applications.

We believe we are a leader in the provision of advanced inventory management services including procurement, just-in-time delivery, quality assurance testing, advisory engineering services, component kit production, small component assembly and e-commerce and electronic data interchange to a broad spectrum of customers. Our comprehensive supply chain management solutions are designed to reduce customer procurement and management costs and enhance overall production or installation efficiencies. Inventory management services are frequently provided under customer contracts for periods in excess of one year and include the interfacing of Anixter and customer information systems and the maintenance of dedicated distribution facilities. These services are provided exclusively in connection with the sales of products, and, as such, the price of such services is included in the price of the products delivered to the customer.

Customers. We sell products to over 100,000 active customers. Our customers are international, national, regional and local companies that include end users, installers, integrators and resellers of our products as well as original equipment manufacturers who use our products as a component of their end product. Our customers cover all industry groups including manufacturing, resource extraction, telecommunications, internet service providers, finance, education, healthcare, transportation, utilities, aerospace and defense and government as well as contractors, installers, system integrators, value-added resellers, architects, engineers and wholesale distributors. Our customer base is well-diversified with no single customer accounting for more than 3% of sales in 2011.

Products. We sell over 450,000 products. These products include communications (voice, data, video and security) products used to connect personal computers, peripheral equipment, mainframe equipment, security equipment and various networks to each other. These products consist of an assortment of transmission media (copper and fiber optic cable), connectivity products, support and supply products, and security surveillance and access control products. These products are incorporated into enterprise networks, physical security networks, central switching offices, web hosting sites and remote transmission sites. In addition, we provide electrical wire and cable products, including electrical and electronic wire and cable, control and instrumentation cable and coaxial cable that are used in a wide variety of maintenance, repair and construction-related applications. We also provide a wide variety of electrical and electronic wire and cable products, fasteners and other small components that are used by original equipment manufacturers in manufacturing a wide variety of products.

Suppliers. We source products from approximately 6,500 suppliers. However, approximately 30% of our dollar volume purchases in 2011 were from our five largest suppliers. An important element of our overall

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business strategy is to develop and maintain close relationships with our key suppliers, which include the world s leading manufacturers of communication cabling, connectivity, support and supply products, electrical wire and cable and fasteners. Such relationships emphasize joint product planning, inventory management, technical support, advertising and marketing. In support of this strategy, we generally do not compete with our suppliers in product design or manufacturing activities. We also generally do not sell private label products that are either one of our brands or a brand name exclusive to us.

Our typical distribution agreement includes the following significant terms:

- a non-exclusive right to resell products to any customer in a geographical area (typically defined as a country);
- usually cancelable upon 90 days notice by either party for any reason;
- no minimum purchase requirements, although pricing may change with volume on a prospective basis; and
- the right to pass through the manufacturer s warranty to our customers.

Distribution and Service Platform. We cost-effectively serve our customers needs through our proprietary computer systems, which connect most of our warehouses and sales offices throughout the world. The systems are designed for sales support, order entry, inventory status, order tracking, credit review and material management. Customers may also conduct business through our e-commerce platform, one of the most comprehensive, user-friendly and secure websites in the industry.

We operate a series of large, modern, regional warehouses in key geographic locations in North America, Europe and Emerging Markets (Asia Pacific and Latin America) that provide for cost-effective, reliable storage and delivery of products to our customers. We have designated 14 warehouses as regional warehouses. Collectively these facilities store over one-third of our inventory. In certain cities, some smaller warehouses are also maintained to maximize transportation efficiency and to provide for the local needs of customers. This network of warehouses and sales offices consists of 156 locations in the United States, 17 in Canada, 33 in the United Kingdom, 37 in Continental Europe, 30 in Latin America, 18 in Asia and 5 in Australia/New Zealand.

We have also developed close relationships with certain freight, package delivery and courier services to minimize transit times between our facilities and customer locations. The combination of our information systems, distribution network and delivery partnerships allows us to provide a high level of customer service while maintaining a reasonable level of investment in inventory and facilities.

Employees. At December 30, 2011, we employed approximately 8,200 people. Approximately 43% of our employees are engaged in sales or sales-related activities, 37% are engaged in warehousing and distribution operations and 20% are engaged in support activities, including inventory management, information services, finance, human resources and general management. We do not have any significant concentrations of employees subject to collective bargaining agreements within any of our geographic segments.

Competition. Given our role as an aggregator of many different types of products from many different sources and because these products are sold to many different industry groups, there is no well-defined industry group against which we compete. We view the competitive environment as highly fragmented with hundreds of distributors and manufacturers that sell products directly or through multiple distribution channels to end users or other resellers. There is significant competition within each end market and geography served that creates pricing pressure and the need for constant attention to improve services. Competition is based primarily on breadth of products, quality, services, price and geographic proximity. We believe that we have a significant competitive advantage due to our comprehensive product and service offerings, highly-skilled workforce and global distribution network. We believe our global distribution

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platform provides a competitive advantage to serving multinational customers needs. Our operations and logistics platform gives us the ability to ship orders from inventory for delivery within 24 to 48 hours to all major global markets. In addition, we have common systems and processes throughout most of our operations in more than 50 countries that provide our customers and suppliers with global consistency.

We enhance our value proposition to both key suppliers and customers through our specifications and testing facilities and numerous quality assurance certification programs such as ISO 9001:2008 and ISO TEC 17025. We use our testing facilities in conjunction with suppliers to develop product specifications and to test quality compliance. At our data network-testing lab located at our suburban Chicago headquarters, we also work with customers to design and test various product configurations to optimize network design and performance specific to our customers needs. At our strategically positioned technical centers and laboratories and through various regional quality labs, we offer original equipment manufacturers a comprehensive range of dimensional, performance and mechanical testing and materials characterization for product testing and failure investigation.

Most of our competitors are privately held, and, as a result, reliable competitive information is not available.

Contract Sales and Backlog. We have a number of customers who purchase products under long-term (generally three to five year) contractual arrangements. In such circumstances, the relationship with the customer typically involves a high degree of material requirements planning and information systems interfaces and, in some cases, may require the maintenance of a dedicated distribution facility or dedicated personnel and inventory at, or in close proximity to, the customer site to meet the needs of the customer. Such contracts do not generally require the customer to purchase any minimum amount of goods from us, but would require that materials acquired by us as a result of joint material requirements planning between us and the customer be purchased by the customer.

Generally, backlog orders, excluding contractual customers, represent approximately four weeks of sales and ship to customers within 30 to 60 days from order date. Our operations and logistics platform gives us the ability to ship orders from inventory for delivery within 24 to 48 hours to all major global markets.

Seasonality. Our operating results are not significantly affected by seasonal fluctuations except for the impact resulting from variations in the number of billing days from quarter to quarter. Consecutive quarter sales from the third to fourth quarters are generally lower due to the holidays and lower number of billing days as compared to other consecutive quarter comparisons. As our fastener business grows, we expect seasonal fluctuations to increase slightly, as the first and second quarter are somewhat stronger in the fastener business, due to third and fourth quarter seasonal and holiday plant shutdowns among original equipment manufacturer customers.

Anixter Inc.

All of the operating activities of Anixter International are conducted through its wholly owned subsidiary Anixter Inc.

Recent Developments

Preliminary Selected First Quarter Results of Anixter International Inc.

On April 24, 2012, we issued a press release announcing unaudited financial results for the fiscal quarter ended March 30, 2012. We have not yet finalized our financial statements as of and for the quarter ended March 30, 2012, including all disclosures required by accounting principles generally accepted in the U.S. (GAAP), and our auditors have not yet completed their review of these financial statements. Accordingly, financial information as of and for the quarter ended March 30, 2012 is subject to further revision as we finalize these financial statements, including all disclosures required by GAAP, and as our auditors conduct their review of these financial statements. Set forth below are preliminary financial results from continuing operations for the quarter ended March 30, 2012:

	Three Months Ended		
	March 30, 2012	April 1, 2011	Percent Change
	(In millions except percentages)		
Net Sales	$ 1,522.7	$ 1,470.8	4%
Operating Income	$ 86.7	$ 77.5	12%
Net Income	$ 55.6	$ 40.9	36%

Sales of $1.52 billion increased 4 percent compared to sales of $1.47 billion in the year ago quarter.

First quarter operating income of $86.7 million improved by 12 percent compared to $77.5 million in the year ago quarter. The operating profit in the prior year quarter included a European restructuring charge of $5.3 million. Excluding this charge, operating income increased by 5 percent.

Operating margin in the current quarter was 5.7 percent compared to 5.3 percent in the year ago quarter. Excluding the restructuring charge outlined above, operating margin improvement in the current period would have been 10 basis points.

Net income from continuing operations of $55.6 million, or $1.62 per diluted share, improved by 43 percent on a per share basis compared to $40.9 million, or $1.13 per share, reported in the year ago quarter. Net income from continuing operations in the current quarter included a tax benefit of $9.7 million primarily due to the reversal of deferred income tax valuation allowances in certain foreign jurisdictions as a result of improvements in projected profitability. The tax benefit was partially offset by a pre-tax charge of $1.7 million ($1.1 million, net of tax) for interest and penalties associated with prior year tax liabilities. Excluding the impact of the tax benefit and the interest and penalties related to prior years tax liabilities in the current quarter and the restructuring charge in the prior year quarter, net income from continuing operations in the first quarter was $47.0 million or $1.37 per diluted share compared to $44.2 million or $1.22 per diluted share in the prior year quarter. With these adjustments, net income increased by 6 percent and earnings per diluted share improved by 12 percent over the prior year quarter.

Special Dividend

On April 24, 2012, we announced that our Board of Directors declared the payment of a special dividend of $4.50 per common share, or a total cash outlay of approximately $150 million. The special dividend is payable on May 31, 2012 to shareholders of record on May 16, 2012. By making this payment in the form of a special dividend rather than committing to a regular dividend payment, we maintain the flexibility to utilize future cash flows to invest in the growth of the business as the global economy further improves.

Our executive offices are located at 2301 Patriot Boulevard, Glenview, Illinois 60026. Our telephone number at those offices is (224) 521-8000.

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The Offering

Issuer	Anixter Inc. (Anixter)
Securities Offered	$350,000,000 aggregate principal amount of % Senior Notes due 2019
Guarantee	Anixter International Inc. will fully and unconditionally guarantee all the obligations of Anixter Inc. under the Notes. The Notes initially will not be guaranteed by any of our subsidiaries.
Issue Price	% plus accrued interest from , 2012.
Interest	% per year. Interest on the Notes is payable semi-annually on and of each year, commencing , 2012.
Optional Redemption	We may at any time redeem some or all of the Notes at a redemption price equal to 100% of their principal amount plus a make-whole premium, together with accrued and unpaid interest, if any, to the redemption date. See Supplemental Description of the Notes Optional Redemption.
Change of Control	Upon the occurrence of a change of control (as defined under Supplemental Description of the Notes Repurchase of Notes upon a Change of Control in this prospectus supplement), Anixter will be required to make an offer to purchase the Notes. The purchase price will equal 101% of the principal amount of the Notes on the date of purchase, plus accrued and unpaid interest, if any, to the date of purchase. Anixter may not have enough funds available at the time of a change of control to make any required debt payment (including repurchases of the Notes).
Ranking	The Notes will be senior unsecured obligations of Anixter, ranking equally in right of payment with other senior unsecured indebtedness of Anixter from time to time outstanding.
	The guarantee of Anixter International will be a senior unsecured obligation of Anixter International, ranking equally in right of payment with other senior unsecured indebtedness of Anixter International from time to time outstanding.
	The Notes will be effectively subordinated to all of our existing and future secured indebtedness to the extent of the assets securing such indebtedness. The Notes will be structurally subordinated to all indebtedness and other obligations of the subsidiaries of Anixter.

The Indenture pursuant to which the Notes are issued does not limit the amount of debt that Anixter, Anixter International or any of our subsidiaries may incur.

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Certain Covenants	The Indenture limits our ability to: • merge or consolidate with or into other companies or sell all or substantially all of our assets; • incur liens; and • engage in sale and leaseback transactions. For additional information, see Supplemental Description of the Notes Consolidation, Merger, Conveyance, Transfer or Lease and Supplemental Description of the Notes Certain Covenants of Anixter and Anixter International.
Use of Proceeds	The net proceeds, after estimated expenses, to Anixter from the sale of the Notes offered hereby are expected to be approximately $ million, which we will use to repay amounts outstanding under our accounts receivable securitization program, to repay borrowings under our revolving credit facility, to provide additional liquidity for maturing indebtedness and for general corporate purposes. See Use of Proceeds.
Risk Factors	You should carefully consider the information set forth under Risk Factors before deciding to invest in the Notes.
Conflicts of Interest	An affiliate of one of the underwriters is the agent under our accounts receivable securitization program, and affiliates of certain of the underwriters are lenders under our revolving credit facility. Because we intend to use the net proceeds from this offering to reduce amounts outstanding under our accounts receivable securitization program and revolving credit facility, each of the underwriters whose affiliates will receive at least 5% of the net proceeds of this offering pursuant to the repayment of amounts outstanding under such facilities is considered by the Financial Industry Regulatory Authority (FINRA) to have a conflict of interest in regards to this offering. As such, this offering is being conducted in accordance with FINRA Rule 5121, which requires that a qualified independent underwriter (QIU) participate in the preparation of this prospectus supplement and perform the usual standards of due diligence with respect thereto. UBS Securities LLC is assuming the responsibilities of acting as QIU in connection with this offering. We have agreed to indemnify UBS Securities LLC against certain liabilities incurred in connection with it acting as QIU in this offering, including liabilities under the Securities Act. See Underwriting (Conflicts of Interest).

For additional information regarding the Notes, see Supplemental Description of the Notes.

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Summary Consolidated Financial Data of Anixter International

The summary consolidated financial data presented below as of and for the fiscal years ended January 1, 2010, December 31, 2010 and December 30, 2011 is derived from our audited financial statements. You should read this information in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the related notes incorporated herein by reference to our Annual Report on Form 10-K for the fiscal year ended December 30, 2011.

	January 1, 2010	Fiscal Year Ended December 31, 2010 (In millions)	December 30, 2011
Selected Income Statement Data:			
Net sales	$ 4,779.6	$ 5,274.5	$ 6,146.9
Operating income(a)	84.8	267.2	362.8
Interest expense and other, net(b)	(85.3)	(55.1)	(59.3)
Early retirement of debt(c)	(1.1)	(31.9)	
Net income (loss) from continuing operations(a), (b), (c), (d)	(41.4)	109.5	200.7
(Loss) income from discontinued operations, net(e)	12.1	(1.0)	(12.5)
Net income (loss)	$ (29.3)	$ 108.5	$ 188.2
Selected Balance Sheet Data:			
Total assets	$ 2,671.7	$ 2,933.3	$ 3,034.0
Total short-term debt(g)	$ 8.5	$ 203.4	$ 3.0
Total long-term debt(c), (g)	$ 821.1	$ 688.7	$ 806.8
Stockholders equity(f)	$ 1,024.1	$ 1,010.8	$ 1,001.2
Other Financial Data:			
Working capital	$ 1,381.0	$ 1,233.1	$ 1,376.0
Capital expenditures	$ 21.9	$ 19.6	$ 26.4
Depreciation and amortization of intangibles	$ 37.1	$ 33.8	$ 33.5
EBITDA(h)	$ 101.6	$ 267.6	$ 387.1
Adjusted EBITDA(h)	$ 247.0	$ 317.7	$ 412.7

Notes:

(a) For the year ended December 30, 2011, we recorded a charge of $5.3 million ($0.09 per diluted share) related to facility consolidations and headcount reductions in Europe. For the year ended January 1, 2010, operating income includes $100.0 million ($2.85 per diluted share) of non-cash goodwill impairment charge related to the European operations, $5.7 million ($0.11 per diluted share) of severance costs related to staffing reductions and $4.2 million ($0.07 per diluted share) related to exchange rate-driven lower of cost or market adjustment on inventory in Venezuela

(b) For the year ended December 31, 2010, we recognized a foreign exchange gain of $2.1 million ($0.02 per diluted share) associated with our Venezuela operations. In 2009, we recognized foreign exchange losses of $13.8 million ($0.17 per diluted share) associated with our Venezuela operations and a loss of $2.1 million ($0.04 per diluted share) associated with the cancellation of interest rate hedging contracts as a result of the repayment of the related borrowings.

(c) In 2010 and 2009, we recognized a loss of $31.9 million ($0.55 per diluted share) and $1.1 million ($0.02 per diluted share), respectively, associated with the early retirement of debt.

(d) In 2011, we recorded net tax benefits of $10.8 million ($0.31 per diluted share) which include the reversal of deferred income tax valuation allowances of $11.3 million, partially offset by additional prior year taxes of $0.5 million. Together, the net tax benefits and aforementioned item in (a) above increased net income in 2011 by $7.5 million ($0.22 per diluted share). In 2010, we recorded a tax benefit of $1.3 million

($0.03 per diluted share) related to the reversal of prior year foreign taxes. Together, the tax item and the aforementioned items in (b) and (c) above, reduced net income in 2010 by $17.7 million ($0.50 per diluted share). In 2009, net income was reduced by $115.0 million ($3.16 per diluted share) related to the aforementioned items in (a), (b) and (c) above. In 2009, we also recorded $4.8 million ($0.13 per diluted share) of net tax benefits related primarily to the reversal of a valuation allowance.

(e) In August 2011, we sold our Aerospace Hardware business. As a result of the divestiture, beginning in the third quarter of 2011, results of the business are reflected as Discontinued Operations and all prior periods have been revised to reflect this classification. The sales price of $155.0 million resulted in net proceeds of $143.6 million after adjusting for working capital adjustments and amounts we paid for legal and advisory fees. In 2010, we recorded a charge of $20.0 million ($0.35 per diluted share) related to an unfavorable arbitration ruling which is included in the loss from discontinued operations.

(f) Stockholders equity reflects treasury stock purchases of $107.5 million, $41.2 million and $34.9 million for the years ended December 30, 2011, December 31, 2010 and January 1, 2010, respectively, all of which have been retired. During 2010, we also declared a special dividend of $3.25 per common share, and paid $111.0 million in the aggregate for such dividend, as a return of excess capital to stockholders. During 2011, 2010 and 2009, we repurchased a portion of our Convertible Notes due 2033 (Notes due 2033) resulting in a reduction in equity of $57.4 million, $20.4 million and $34.3 million, respectively, net of tax.

(g) Prior to 2011, short-term debt primarily consisted of borrowings under our accounts receivable securitization facility. In 2011, the maturity date of the Anixter Receivables Corporation (ARC) facility was amended from July 2011 to May 2013. As a result of the change in maturity, the outstanding balance of the facility is classified as long-term debt at the end of 2011. During the first quarter of 2009, our primary operating subsidiary, Anixter Inc., issued $200 million principal amount of 10% Senior Notes due 2014 (Notes due 2014). In 2009, we repurchased a portion of the Notes due 2014 which resulted in reducing this debt balance by $23.6 million. Also, in 2009, we repurchased a portion of our Notes due 2033, resulting in a reduction of borrowings of $60.1 million. During 2010, we repurchased another portion of the Notes due 2014, which resulted in reducing the debt balances by $133.7 million to $30.6 million. Also, in 2010, the Company repurchased another portion of its Notes due 2033 resulting in a reduction of borrowings of $67.0 million. In 2011, we retired the remaining amount of the Notes due 2033, resulting in a reduction of borrowings of $48.9 million.

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(h) EBITDA is defined as income (loss) from continuing operations before interest, income taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA before foreign exchange and other non-operating expense, loss on early retirement of debt and stock-based compensation. Adjusted EBITDA for fiscal 2011 also excludes the previously mentioned adjustment of $5.3 million related to facility consolidations and headcount reductions in Europe. Adjusted EBITDA for fiscal 2009 excludes the previous mentioned items: $100.0 million of non-cash goodwill impairment charge related to the European operations, $5.7 million of severance costs related to staffing reductions in Europe and $4.2 million related to exchange rate-driven lower of cost or market adjustment on inventory in Venezuela. EBITDA and Adjusted EBITDA are presented because we believe they are useful indicators of our performance and our ability to meet debt service requirements. They are not, however, intended as an alternative measure of operating results or cash flow from operations as determined in accordance with generally accepted accounting principles. EBITDA and Adjusted EBITDA are not necessarily comparable to similarly titled measures used by other companies. The following table presents a reconciliation of EBITDA and Adjusted EBITDA to net income (loss) from continuing operations:

	Fiscal Year Ended		
	January 1, 2010	**December 31, 2010**	**December 30, 2011**
		(In millions)	
Net income (loss) from continuing operations	$ (41.4)	109.5	200.7
Interest expense	66.1	53.6	50.1
Income taxes	39.8	70.7	102.8
Depreciation	24.1	22.5	22.1
Amortization of intangible assets	13.0	11.3	11.4
EBITDA	$ 101.6	267.6	387.1
Foreign exchange and other non-operating expense	19.2	1.5	9.2
Loss on early retirement of debt	1.1		