

Cinemark Holdings, Inc.
Form 424B3
January 20, 2010

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**Filed Pursuant to Rule 424(b)(3)
Registration No. 333-159012**

PROSPECTUS SUPPLEMENT
(To Prospectus dated May 6, 2009)

7,500,000 Shares

Common Stock

This is an offering of 7,500,000 shares of common stock of Cinemark Holdings, Inc. by the selling stockholders identified in this prospectus supplement. We will not receive any proceeds from the sale of shares in this offering.

Our common stock is listed on the New York Stock Exchange under the symbol CNK. The last reported sale price of our common stock on January 19, 2010 was \$15.07 per share.

Investing in our common stock involves risks. See Risk Factors beginning on page S-3 of this prospectus supplement and on page 3 of the accompanying prospectus. You should also consider the risk factors described in the documents incorporated by reference into this prospectus supplement and the accompanying prospectus.

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

	Per Share	Total
Public offering price	\$ 14.55	\$ 109,125,000
Underwriting discount	\$ 0.22	\$ 1,650,000
Proceeds, before expenses, to the selling stockholders	\$ 14.33	\$ 107,475,000

Morgan Stanley expects to deliver the shares on or about January 25, 2010.

Morgan Stanley

Prospectus Supplement dated January 19, 2010

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You should rely only on the information contained and incorporated by reference in this prospectus supplement, the accompanying prospectus or in any free writing prospectus prepared by or on behalf of us. Neither we, the selling stockholders nor the underwriter have authorized anyone to provide you with any other information. If you receive any other information, you should not rely on it. The selling stockholders and the

underwriter are offering to sell, and seeking offers to buy, shares of our common stock, \$0.001 per share, or our Common Stock, only in jurisdictions where offers and sales are permitted. The information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus, any free writing prospectus or any document incorporated herein or therein by reference is accurate only as of the date of this prospectus supplement, regardless of the time of delivery of this prospectus supplement or of any sale of shares of our Common Stock. Our business, financial condition, results of operations and prospects may have changed since that date.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering of our Common Stock and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference into this prospectus supplement and the accompanying prospectus. The second part, the accompanying prospectus dated May 6, 2009, gives more general information, some of which may not apply to this offering. You should read this prospectus supplement and the accompanying prospectus, including the information incorporated herein and therein by reference and any free writing prospectuses we have authorized for use in connection with this offering, in their entirety, before making an investment decision. To the extent there is a variation between the information contained in this prospectus supplement, on the one hand, and the information contained in the accompanying prospectus on the other hand, you should rely on the information in this prospectus supplement.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents incorporated herein and therein by reference include forward-looking statements based on our current expectations, assumptions, estimates and projections about our business and our industry. They include statements relating to:

future revenues, expenses and profitability;

the future development and expected growth of our business;

projected capital expenditures;

attendance at movies generally or in any of the markets in which we operate;

the number or diversity of popular movies released and our ability to successfully license and exhibit popular films;

national and international growth in our industry;

competition from other exhibitors and alternative forms of entertainment; and

determinations in lawsuits in which we are defendants.

You can identify forward-looking statements by the use of words such as may, should, will, could, estimates, potential, continue, anticipates, believes, plans, expects, future and intends and similar expressions which are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond our control and difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. In evaluating forward-looking statements, you should carefully consider the risks and uncertainties described or incorporated by reference herein, including in the section entitled Risk Factors. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements and risk factors contained or incorporated by reference in this prospectus supplement. Forward-looking statements contained in this prospectus supplement reflect our view only as of the date of this prospectus supplement. Neither we nor the underwriter undertakes any obligation, other than as required by law, to update or revise any forward-looking

statements, whether as a result of new information, future events or otherwise.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights information contained elsewhere in or incorporated by reference into this prospectus supplement and the accompanying prospectus and does not contain all of the information you should consider in making your investment decision. To understand this offering fully, you should read this summary together with the more detailed information included elsewhere in, or incorporated by reference into, this prospectus supplement and the accompanying prospectus and any free writing prospectus we have authorized for use in connection with this offering. You should also carefully consider the matters discussed herein in the section entitled Risk Factors.

Unless otherwise specified or the context otherwise requires, the terms Cinemark, the Company, we, us and our to Cinemark Holdings, Inc., a Delaware corporation, and all of its subsidiaries, and the term you refers to a prospective investor. The term selling stockholders refers, collectively, to the selling stockholders named in this prospectus supplement under the caption Selling Stockholders.

The Company

We are the second largest motion picture exhibitor in the world, in terms of both attendance and number of screens operated. We operated 426 theatres and 4,908 screens in the U.S. and Latin America as of September 30, 2009, and approximately 211.3 million patrons attended our theatres worldwide during the year ended December 31, 2008, the second highest total among the three largest U.S. motion picture exhibitors. Our circuit is the third largest in the U.S. with 296 theatres and 3,842 screens in 39 states and one Canadian province. We are the most geographically diverse circuit in Latin America with 130 theatres and 1,066 screens in 13 countries. Our modern theatre circuit features stadium seating for approximately 84% of our first-run auditoriums.

We selectively build or acquire new theatres in markets where we can establish and maintain a strong market position. We believe our portfolio of modern theatres provides a preferred destination for moviegoers and contributes to our significant cash flows from operating activities. Our significant presence in the U.S. and Latin America has made us an important distribution channel for movie studios, particularly as they look to increase revenues generated in Latin America. Our market leadership is attributable in large part to our senior executives, who average approximately 34 years of industry experience and have successfully navigated us through multiple business cycles.

We grew our total revenue per patron at a compound annual growth rate, or CAGR, during the last three fiscal years of 10.2%, the highest among the three largest U.S. motion picture exhibitors. Revenues, operating income and net income (loss) for the year ended December 31, 2008 were \$1,742.3 million, \$60.2 million and \$(48.3) million, respectively, and were \$1,440.1 million, \$176.8 million and \$57.2 million, respectively, for the nine months ended September 30, 2009.

Additional Information

Our corporate headquarters is located at 3900 Dallas Parkway, Suite 500, Plano, Texas 75093. Our telephone number is (972) 665-1000. Our Web site address is www.cinemark.com. The information on our Web site does not constitute part of this prospectus supplement.

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The Offering

Common Stock offered by the selling stockholders	7,500,000 shares.
Use of Proceeds	We will not receive any proceeds from the sale of shares of our Common Stock by the selling stockholders.
Risk Factors	Investing in our Common Stock involves substantial risks. You should carefully consider the information in this prospectus supplement, the accompanying prospectus, the documents incorporated by reference herein and therein and any free writing prospectus we have authorized in connection with this offering prior to investing in our Common Stock. In particular, we urge you to carefully consider the factors set forth under the heading Risk Factors.
Dividend policy	Following this offering, we intend to continue to pay a quarterly cash dividend at an annual rate equal to \$0.72 per share (or a quarterly rate equal to \$0.18 per share) of our Common Stock. The declaration of future dividends on our Common Stock will be at the discretion of our board of directors and will depend upon many factors, including our results of operations, financial condition, earnings, capital requirements, limitations in our debt agreements and legal requirements. See Dividend Policy.
New York Stock Exchange symbol	CNK

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RISK FACTORS

An investment in our Common Stock involves a high degree of risk. You should carefully consider the following risks, as well as the risk factors set forth in our most recently filed Annual Report on Form 10-K, before you decide to purchase shares of our Common Stock. You should also refer to the other information in this prospectus supplement and the accompanying prospectus. Additional risks and uncertainties that are not yet identified may also materially harm our business, operating results and financial condition and could result in a complete loss of your investment. Any adverse effect on our business, financial condition or operating results could result in a decline in the trading price of our Common Stock and your loss of all or part of your investment.

Risks Related to This Offering

The market price of our Common Stock may be volatile.

There can be no assurance that an active trading market for our Common Stock will continue. The securities markets have recently experienced extreme price and volume fluctuations and the market prices of the securities of companies have been particularly volatile. This market volatility, as well as general economic or political conditions, could reduce the market price of our Common Stock regardless of our operating performance. In addition, our operating results could be below the expectations of investment analysts and investors and, in response, the market price of our Common Stock may decrease significantly and prevent investors from reselling their shares of our Common Stock at or above a market price that is favorable. In the past, companies that have experienced volatility in the market price of their stock have been the subject of securities class action litigation. If we were the subject of securities class action litigation, it could result in substantial costs, liabilities and a diversion of management's attention and resources.

Future sales of our Common Stock may adversely affect the prevailing market price.

If a large number of shares of our Common Stock is sold in the open market, or if there is a perception that such sales will occur, the trading price of our Common Stock could decrease. In addition, the sale of the shares subject to this prospectus supplement could impair our ability to raise capital through the sale of additional Common Stock. As of December 31, 2009, we had an aggregate of 184,055,255 shares of our Common Stock authorized but unissued and not reserved for specific purposes. In general, we may issue all of these shares without any action or approval by our stockholders. We may issue shares of our Common Stock in connection with acquisitions.

As of December 31, 2009, we had 110,919,824 shares of our Common Stock outstanding. Of these shares, as of December 31, 2009, approximately 37,392,814 shares were freely tradable. The remaining shares of our Common Stock were restricted securities as that term is defined in Rule 144 under the Securities Act. Restricted securities may not be resold in a public distribution except in compliance with the registration requirements of the Securities Act or pursuant to an exemption therefrom, including the exemptions provided by Regulation S and Rule 144 promulgated under the Securities Act. We have currently registered for resale on a Form S-3 71,153,305 shares of our Common Stock held by certain of our stockholders pursuant to a registration rights agreement among us and such stockholders, of which 58,053,110 shares are held by the selling stockholders and 13,100,195 shares are held by certain of our other stockholders.

We cannot predict whether substantial amounts of our Common Stock will be sold in the open market in anticipation of, or following, any divestiture by any of our existing stockholders, our directors or executive officers of their shares of our Common Stock.

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Currently, there are 10,897,498 shares of our Common Stock reserved for issuance under the Amended and Restated Cinemark Holdings, Inc. 2006 Long Term Incentive Plan, of which 1,231,892 shares were issuable upon exercise of options outstanding as of December 31, 2009. The sale of shares issued upon the exercise of stock options could further dilute your investment in our Common Stock and adversely affect the market price of our Common Stock.

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You may not receive dividends on our Common Stock.

Holders of our Common Stock are only entitled to receive such dividends as our board of directors may declare out of funds legally available for such payments. The declaration of future dividends on our Common Stock will depend upon many factors, including our results of operations, financial condition, earnings, capital requirements, limitations in our debt agreements and legal requirements. Although we have historically declared cash dividends on our Common Stock, we are not required to do so and may reduce or eliminate our Common Stock dividend in the future. This could adversely affect the market price of our Common Stock.

Provisions in our corporate documents and certain agreements, as well as Delaware law, may hinder a change of control.

Provisions in our amended and restated certificate of incorporation and bylaws, as well as provisions of the Delaware General Corporation Law, could discourage unsolicited proposals to acquire us, even though such proposals may be beneficial to you. These provisions include:

authorization of our board of directors to issue shares of preferred stock without stockholder approval;

a board of directors classified into three classes of directors with the directors of each class, subject to shorter initial terms for some directors, having staggered, three-year terms;

provisions regulating the ability of our stockholders to nominate directors for election or to bring matters for action at annual meetings of our stockholders; and

provisions of Delaware law that restrict many business combinations and provide that directors serving on classified boards of directors, such as ours, may be removed only for cause.

Certain provisions of our 8.625% senior notes indenture and our senior secured credit facility may have the effect of delaying or preventing future transactions involving a change of control. A change of control would require us to make an offer to the holders of our 8.625% senior notes to repurchase all of the outstanding notes at a purchase price equal to 101% of the aggregate principal amount outstanding plus accrued unpaid interest to the date of the purchase. A change of control would also be an event of default under our senior secured credit facility.

The interests of Madison Dearborn Capital Partners IV, L.P., or MDCP, may not be aligned with yours.

MDCP, after giving effect to this offering, will beneficially own approximately 39.2% of our Common Stock and under a director nomination agreement, is entitled to designate nominees for five members of our board of directors. Accordingly, MDCP has influence and effectively controls our corporate and management policies and has significant influence over the outcome of any corporate transaction or other matters submitted to our stockholders for approval, including potential mergers or acquisitions, asset sales and other significant corporate transactions. MDCP could seek to take other actions that might be desirable to MDCP but not to other stockholders.

Table of Contents**USE OF PROCEEDS**

We will not receive any of the proceeds from the sale of the shares of our Common Stock by the selling stockholders.

CAPITALIZATION

The following table sets forth our cash and capitalization as of September 30, 2009. This table should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and notes thereto included in each of our Annual Report on Form 10-K for the year ended December 31, 2008 and our Quarterly Report on Form 10-Q for the three months ended September 30, 2009, each of which is incorporated by reference in this prospectus supplement.

	As of September 30, 2009 Actual (Unaudited)
Cash and cash equivalents	\$ 359,103
Long-term debt, including current maturities:	
Senior secured credit facility ⁽¹⁾	\$ 1,086,400
8.625% senior notes ⁽²⁾	470,000
Other subsidiary indebtedness ⁽³⁾	1,512
Total long-term debt	1,557,912
Capital lease obligations, including current portion	142,022
Total long-term debt and capital lease obligations	1,699,934
Stockholder's equity:	
Cinemark Holdings, Inc.'s stockholder's equity:	
Common stock, \$0,001 par value: 300,000,000 shares authorized and 109,335,566 shares issued and outstanding	109
Additional paid-in-capital	966,167
Retained deficit	(80,704)
Accumulated other comprehensive loss	(18,962)
Total Cinemark Holdings, Inc.'s stockholder's equity	866,610
Noncontrolling interests	16,102
Total stockholder's equity	882,712
Total capitalization	\$ 2,582,646

(1)

Our senior secured credit facility consists of a \$150.0 million revolving credit facility that expires on October 5, 2012 and a \$1,120.0 million term loan that matures on October 5, 2013. The average interest rate on outstanding borrowings under our existing senior secured credit facility at September 30, 2009 was 3.1% per annum. As of September 30, 2009, on an actual basis \$121.5 million was available to us under our senior secured credit facility, subject to compliance with the terms thereof. The availability of our revolving credit facility may have recently been impacted by the insolvency of one of the lenders under our senior secured credit facility. As such, it is uncertain whether we could borrow the portion that would be funded by this insolvent lender, which is approximately \$28.5 million.

- (2) Represents the aggregate principal amount of the 8.625% senior notes issued on June 29, 2009 before the original issue discount, which was \$11.3 million as of September 30, 2009.
- (3) Consists of \$0.2 million of our 9% Senior Subordinated Notes, \$0.9 million of borrowings of Cinemark Chile S.A. and \$0.4 million of other long-term debt of other foreign subsidiaries.
- (4) Total capitalization on a pro forma basis would be substantially the same as actual since the 8.625% senior notes were issued on June 29, 2009 and are therefore reflected on an actual basis as of September 30, 2009.

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Our Common Stock is listed for trading on the New York Stock Exchange, or the NYSE, under the symbol CNK. The following table sets forth the quarterly high and low sales prices of our Common Stock on the NYSE for the periods indicated and dividends paid during such periods:

	High	Low	Dividend per Share
Year ending December 31, 2007			
Third Quarter	\$ 19.48	\$ 14.83	\$ 0.13
Fourth Quarter	\$ 20.00	\$ 15.81	\$ 0.18
Year ending December 31, 2008			
First Quarter	\$ 17.09	\$ 12.24	\$ 0.18
Second Quarter	\$ 15.73	\$ 12.05	\$ 0.18
Third Quarter	\$ 16.30	\$ 11.08	\$ 0.18
Fourth Quarter	\$ 14.51	\$ 6.73	\$ 0.18
Year ending December 31, 2009			
First Quarter	\$ 10.26	\$ 6.75	\$ 0.18
Second Quarter	\$ 11.49	\$ 8.63	\$ 0.18
Third Quarter	\$ 11.65	\$ 9.50	\$ 0.18
Fourth Quarter	\$ 14.85	\$ 10.08	N/A

In the third quarter of 2007, we paid a dividend of \$0.13 per share based on a quarterly dividend rate of \$0.18 per share, prorated based on the April 27, 2007 closing date of our initial public offering.

As of the date of this prospectus supplement, our board of directors has not declared a dividend for the fourth quarter of 2009.

On January 19, 2010, the closing sale price of our Common Stock as reported on the NYSE was \$15.07 per share, and we had approximately 122 holders of record of our Common Stock.

DIVIDEND POLICY

Following this offering, we intend to continue to pay dividends at an annual rate of \$0.72 per share. However, our ability to pay dividends is limited by our status as a holding company and the terms of our indentures, our senior secured credit facility and certain of our other debt instruments, which restrict our ability to pay dividends to our stockholders and the ability of certain of our subsidiaries to pay dividends, directly or indirectly, to us. Under our debt instruments, we may pay a cash dividend up to a specified amount, provided we have satisfied certain financial covenants in, and are not in default under, our debt instruments. The declaration of future dividends on our Common Stock will be at the discretion of our board of directors and will depend upon many factors, including our results of operations, financial condition, earnings, capital requirements, limitations in our debt agreements and legal requirements. We cannot assure you that any dividends will be paid in the anticipated amounts and frequency set forth in this prospectus supplement, if at all.

Table of Contents**SELLING STOCKHOLDERS**

This prospectus supplement relates to the resale from time to time of up to a total of 7,500,000 shares of our Common Stock by the selling stockholders. The following table sets forth information with respect to the current beneficial ownership of the selling stockholders, the number of shares of our Common Stock being offered hereby by the selling stockholders and information with respect to shares to be beneficially owned by the selling stockholders after completion of this offering. The percentages in the following table reflect the shares beneficially owned by the selling stockholders as a percentage of the total number of shares of our Common Stock outstanding as of January 15, 2010.

Under a director nomination agreement, MDCP is entitled to designate nominees for five members of our board of directors and Syufy Enterprises LP is entitled to designate a nominee for one member of our board of directors.

The selling stockholders have not, except as described in the immediately preceding paragraph and the footnotes below, held any position or office or had any other material relationship with us within the past three years, other than their ownership of shares of our Common Stock as described below, the issuance of the shares described in this prospectus supplement and the landlord relationship described in footnote 2 below.

Name	Shares Beneficially		Shares	Shares Beneficially Owned after	
	Owned Prior to Offering	Percentage	Offered	Completion of Offering	Percentage
	Number		Hereby	Number	
			Number		
Madison Dearborn Capital Partners IV, L.P.⁽¹⁾	49,881,014	44.88%	6,444,230	43,436,784	39.2%
Syufy Enterprises LP⁽²⁾	8,172,096	7.35%	1,055,770	7,116,326	6.4%

⁽¹⁾ The shares beneficially owned by MDCP may be deemed to be beneficially owned by Madison Dearborn Partners IV, LP, or MDP IV, the sole general partner of MDCP. John A. Canning, Jr., Paul J. Finnegan and Samuel M. Mencoff are the sole members of a limited partner committee of MDCP that has the power, acting by majority vote, to vote or dispose of the shares beneficially held by MDCP. Vahe Dombalagian, a current director of the Company, is a limited partner of MDP IV and a managing director of Madison Dearborn Partners L.P., and therefore may be deemed to share beneficial ownership of the shares beneficially owned by MDCP. Messrs. Canning, Finnegan, Mencoff and Dombalagian and MDP IV each hereby disclaims any beneficial ownership of any shares beneficially owned by MDCP.

⁽²⁾ Raymond Syufy, a current director of the Company, and Joseph Syufy, a former director of the Company, are executive officers of the general partner of Syufy Enterprises LP and they may therefore be deemed to share beneficial ownership of the 8,172,096 shares owned by Syufy Enterprises LP. Raymond Syufy and Joseph Syufy each expressly disclaims beneficial ownership of the shares owned by Syufy Enterprises LP. Our subsidiary, Century Theatres, Inc. leases 23 theatres and two parking facilities from Syufy Enterprises LP or affiliates of Syufy Enterprises LP.

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**MATERIAL UNITED STATES FEDERAL INCOME AND ESTATE TAX CONSIDERATIONS
TO NON-U.S. HOLDERS**

The following is a summary of material United States federal income and estate tax consequences of the purchase, ownership and disposition of our Common Stock as of the date hereof. Except where noted, this summary deals only with our Common Stock that is held as a capital asset by a non-U.S. holder.

A non-U.S. holder means a person (other than a partnership) that is not for United States federal income tax purposes any of the following:

an individual citizen or resident of the United States;

a corporation (or any other entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;

an estate the income of which is subject to United States federal income taxation regardless of its source; or

a trust if it (1) is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

This summary is based upon provisions of the Internal Revenue Code of 1986, as amended, or the Code, and regulations, rulings and judicial decisions as of the date hereof. Those authorities may be changed, perhaps retroactively, so as to result in United States federal income and estate tax consequences different from those summarized below. This summary does not address all aspects of United States federal income and estate taxes and does not deal with foreign, state, local or other tax considerations that may be relevant to non-U.S. holders in light of their personal circumstances. In addition, it does not represent a detailed description of the United States federal income tax consequences applicable to you if you are subject to special treatment under the United States federal income tax laws (including if you are a United States expatriate, controlled foreign corporation, passive foreign investment company or a partnership or other pass-through entity for United States federal income tax purposes). We cannot assure you that a change in law will not alter significantly the tax considerations that we describe in this summary.

If a partnership holds our Common Stock, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding our Common Stock, you should consult your tax advisors.

If you are considering the purchase of our Common Stock, you should consult your own tax advisors concerning the particular United States federal income and estate tax consequences to you of the ownership of our Common Stock, as well as the consequences to you arising under the laws of any other taxing jurisdiction.

Dividends

Dividends paid to a non-U.S. holder of our Common Stock generally will be subject to withholding of United States federal income tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. However, dividends that are effectively connected with the conduct of a trade or business by the non-U.S. holder within the

United States (and, if required by an applicable income tax treaty, are attributable to a United States permanent establishment) are not subject to the withholding tax, provided certain certification and disclosure requirements are satisfied. Instead, such dividends are subject to United States federal income tax on a net income basis in the same manner as if the non-U.S. holder were a United States person as defined under the Code. Any such effectively connected dividends received by a foreign corporation may be subject to an additional branch profits tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty.

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A non-U.S. holder of our Common Stock who wishes to claim the benefit of an applicable treaty rate and avoid backup withholding, as discussed below, for dividends will be required (a) to complete Internal Revenue Service Form W-8BEN (or other applicable form) and certify under penalty of perjury that such holder is not a United States person as defined under the Code and is eligible for treaty benefits or (b) if our Common Stock is held through certain foreign intermediaries, to satisfy the relevant certification requirements of applicable United States Treasury regulations. Special certification and other requirements apply to certain non-U.S. holders that are pass-through entities rather than corporations or individuals.

A non-U.S. holder of our Common Stock eligible for a reduced rate of United States withholding tax pursuant to an income tax treaty may obtain a refund of any excess amounts withheld by filing an appropriate claim for refund with the Internal Revenue Service.

Gain on Disposition of our Common Stock

Any gain realized on the disposition of our Common Stock generally will not be subject to United States federal income tax unless:

- the gain is effectively connected with a trade or business of the non-U.S. holder in the United States (and, if required by an applicable income tax treaty, is attributable to a United States permanent establishment of the non-U.S. holder);

- the non-U.S. holder is an individual who is present in the United States for 183 days or more in the taxable year of that disposition, and certain other conditions are met; or

- we are or have been a United States real property holding corporation for United States federal income tax purposes.

An individual non-U.S. holder described in the first bullet point immediately above will be subject to tax on the net gain derived from the sale under regular graduated United States federal income tax rates. An individual non-U.S. holder described in the second bullet point immediately above will be subject to a flat 30% tax on the gain derived from the sale, which may be offset by United States source capital losses, even though the individual is not considered a resident of the United States. If a non-U.S. holder that is a foreign corporation falls under the first bullet point immediately above, it will be subject to tax on its net gain in the same manner as if it were a United States person as defined under the Code and, in addition, may be subject to the branch profits tax equal to 30% of its effectively connected earnings and profits or at such lower rate as may be specified by an applicable income tax treaty.

The determination of whether a corporation is a United States real property holding corporation for United States federal income tax purposes involves a complex factual analysis, including a valuation of the corporation's assets. We have not determined at this time whether we are a United States real property holding corporation, although there is a possibility that we are or will become a United States real property holding corporation. If we are or become a United States real property holding corporation, then assuming our Common Stock is regularly traded on an established securities market (such as the NYSE), only a non-U.S. holder who holds or held (at any time during the shorter of the five-year period ending on the date of disposition and the non-U.S. holder's holding period for our Common Stock) more than 5% of our Common Stock will be subject to the United States federal income tax on the disposition of our Common Stock under these rules.

Federal Estate Tax

Common stock held by an individual non-U.S. holder at the time of death will be included in such holder's gross estate for United States federal estate tax purposes, unless an applicable estate tax treaty provides otherwise.

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Information Reporting and Backup Withholding

We must report annually to the Internal Revenue Service and to each non-U.S. holder the amount of dividends paid to such holder and the tax withheld with respect to such dividends, regardless of whether withholding was required. Copies of the information returns reporting such dividends and withholding may also be made available to the tax authorities in the country in which the non-U.S. holder resides under the provisions of an applicable income tax treaty.

A non-U.S. holder will be subject to backup withholding for dividends paid to such holder unless such holder certifies under penalty of perjury that it is a non-U.S. holder (and the payor does not have actual knowledge or reason to know that such holder is a United States person as defined under the Code), or such holder otherwise establishes an exemption.

Information reporting and, depending on the circumstances, backup withholding will apply to the proceeds of a sale of our Common Stock within the United States or conducted through certain United States-related financial intermediaries, unless the beneficial owner certifies under penalty of perjury that it is a non-U.S. holder (and the payor does not have actual knowledge or reason to know that the beneficial owner is a United States person as defined under the Code), or such owner otherwise establishes an exemption.

Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a non-U.S. holder's United States federal income tax liability provided the required information is timely furnished to the Internal Revenue Service.

Proposed Legislation

Recently proposed legislation (which was passed by the House of Representatives) would generally impose, effective for payments made after December 31, 2012, a withholding tax of 30% on dividends from, and the gross proceeds of a disposition of, Common Stock paid to certain foreign entities unless various information reporting requirements are satisfied. There can be no assurance as to whether or not this proposed legislation will be enacted, and, if it is enacted, what form it will take or when it will be effective. Non-U.S. holders are encouraged to consult their own tax advisors regarding the possible implications of this proposed legislation on their investment in our Common Stock.

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UNDERWRITING

Under the terms of an underwriting agreement, which we will file as an exhibit to our Current Report on Form 8-K and incorporate by reference in this prospectus supplement and the accompanying prospectus, Morgan Stanley & Co. Incorporated, as the underwriter in this offering, has agreed to purchase from the selling stockholders, 7,500,000 shares of our Common Stock.

The underwriting agreement provides that the underwriter's obligation to purchase shares of our Common Stock depends on the satisfaction of the conditions contained in the underwriting agreement including:

- the obligation to purchase all of the shares of our Common Stock offered hereby, if any of the shares are purchased;
- the representations and warranties made by us and the selling stockholders to the underwriter are true;
- there is no material change in our business or in the financial markets; and
- we and the selling stockholders deliver customary closing documents to the underwriter.

Commissions and Expenses

The following table summarizes the underwriting discounts and commissions the selling stockholders will pay to the underwriter. The underwriting fee is the difference between the initial price to the public and the amount the underwriter pays to the selling stockholders for the shares.

Per share	\$ 0.22
Total	\$ 1,650,000

The underwriter has advised us that the underwriter proposes to offer the shares of our Common Stock directly to the public at the public offering price on the cover of this prospectus supplement and to selected dealers, which may include the underwriter, at such offering price less a concession not in excess of \$0.10 per share. After the offering, the underwriter may change the offering price and other selling terms. Sales of shares made outside of the United States may be made by affiliates of the underwriter.

The expenses of this offering that are payable by us and the selling stockholders are estimated to be \$150,000 (excluding underwriting discounts and commissions). We have agreed to pay expenses incurred by the selling stockholders in connection with the offering, other than the underwriting discounts and commissions, any costs and expenses incurred by the selling stockholders related to their performance under the underwriting agreement and any transfer taxes related to their sale of our Common Stock.

Lock-Up Agreements

The selling stockholders have agreed that, without the prior written consent of Morgan Stanley & Co. Incorporated, they will not directly or indirectly, (1) offer for sale, sell, pledge, or otherwise dispose of (or enter into any transaction or device that is designed to, or could be expected to, result in the disposition by any person at any time in the future of) any shares of our Common Stock (including, without limitation, shares of our Common Stock that may be deemed

to be beneficially owned by them in accordance with the rules and regulations of the SEC and shares of Common Stock that may be issued upon exercise of any options or warrants) or securities convertible into or exercisable or exchangeable for Common Stock, (2) enter into any swap or other derivatives transaction that transfers to another, in whole or in part, any of the economic consequences of ownership of our Common Stock, (3) make any demand for or exercise any right or file or cause to be filed a