TENNANT CO
Form S-3ASR
October 31, 2012

As filed with the Securities and Exchange Commission on October 31, 2012
Registration No. 333-

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

FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

TENNANT COMPANY
(Exact name of registrant as specified in its charter)

Minnesota	41-0572550
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

701 North Lilac Drive, P.O. Box 1452
Minneapolis, Minnesota 55440
(763) 540-1200
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Heidi M. Wilson
Vice President, General Counsel and Secretary
Tennant Company
701 North Lilac Drive, P.O. Box 1452
Minneapolis, Minnesota 55440
(763) 540-1200
(Name, address, including zip code, and telephone number, including area code, of agent for service)

With a copy to:
Sonia A. Shewchuk
Faegre Baker Daniels LLP
2200 Wells Fargo Center
90 South Seventh Street
Minneapolis, Minnesota 55402-3901
(612) 766-7000

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this Registration Statement.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. o

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. x

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

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If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box: x

If this form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box: o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer x	Accelerated filer o
Non-accelerated filer o (Do not check if smaller reporting company)	Smaller reporting company o

CALCULATION OF REGISTRATION FEE

Title of each Class of Securities to be Registered (1)	Amount to be Registered (2)	Proposed Maximum Offering Price Per Unit (2)	Proposed Maximum Aggregate Offering Price (2)	Amount of Registration Fee (3)
Debt Securities				
Preferred Stock				
Depositary Shares				
Common Stock, par value $0.375 per share(4)				

(1) Any securities registered hereunder may be sold separately or together with other securities registered hereunder.

(2) Omitted pursuant to General Instruction II.E. of Form S-3. Includes (i) such indeterminate principal amount of Debt Securities as may from time to time be issued at indeterminate prices, (ii) such indeterminate number of shares of Preferred Stock as may be issued from time to time at indeterminate prices plus such indeterminate number of shares of Preferred Stock as may be issued in exchange for, or upon conversion of, Debt Securities or other Preferred Stock registered hereunder, (iii) such indeterminate number of Depositary Shares as may be issued in the event the registrant elects to offer fractional interests in shares of Preferred Stock registered hereunder, and (iv) such indeterminate number of shares of Common Stock as may be issued from time to time at indeterminate prices plus such indeterminate number of shares of Common Stock as may be issued in exchange for, or upon conversion of, Debt Securities or Preferred Stock registered hereunder. In

addition, pursuant to Rule 416 under the Securities Act of 1933, the securities registered hereunder include such indeterminate number of securities as may be issuable with respect to the securities being registered hereunder as a result of stock splits, stock dividends or similar transactions.

(3) In accordance with Rules 456(b) and 457(r) of the Securities Act of 1933, the registrant is deferring payment of all of the registration fee. Registration fees will be paid subsequently on a pay as you go basis.

(4) Associated with the Common Stock are preferred share purchase rights that will not be exercisable or evidenced separately from the Common Stock prior to the occurrence of certain events.

PROSPECTUS

TENNANT COMPANY

701 North Lilac Drive, P.O. Box 1452
Minneapolis, Minnesota 55440
(763) 540-1200

Debt Securities
Preferred Stock
Depositary Shares
Common Stock

We may, from time to time, offer to sell securities in one or more offerings. This prospectus describes some of the general terms that may apply to these securities. We will provide the specific terms of these securities in supplements to this prospectus. You should read this prospectus and the applicable prospectus supplement carefully before you invest.

We may offer and sell these securities to or through one or more underwriters, dealers and agents or directly to purchasers, on a continuous or delayed basis.

Shares of our common stock, par value $0.375 per share, trade on the New York Stock Exchange under the symbol "TNC."

Investing in our securities involves risks. You should consider any risk factors described in the accompanying prospectus supplement or any documents we incorporate by reference.

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

This prospectus is dated October 31, 2012

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission, or the "SEC," using a "shelf" registration process. Under this shelf registration process, we may, from time to time, sell in one or more offerings any combination of the debt securities, preferred stock, depositary shares and common stock described in this prospectus.

This prospectus provides you with a general description of the debt securities, preferred stock, depositary shares and common stock that we may issue. Each time we sell securities, we will provide a prospectus supplement that will contain specific information about the terms of that offering. Such prospectus supplement may also add, update or change information contained in this prospectus. You should read this prospectus and the applicable prospectus supplement together with the additional information described under the heading "Where You Can Find More Information." We may also prepare free writing prospectuses that describe particular securities. Any free writing prospectus should also be read in connection with this prospectus and with any prospectus supplement referred to therein. For purposes of this prospectus, any reference to an applicable prospectus supplement may also refer to a free writing prospectus, unless the context otherwise requires.

When we refer to "Tennant," "our company," "we," "our" and "us" in this prospectus under the headings "The Company," "Se Financial Data" and "Ratio of Earnings to Fixed Charges," we mean Tennant Company and its subsidiaries unless the context indicates otherwise. When such terms are used elsewhere in this prospectus, we refer only to Tennant Company unless the context indicates otherwise.

The registration statement that contains this prospectus, including the exhibits to the registration statement, contains additional information about us and the securities offered under this prospectus. That registration statement can be read at the SEC web site or at the SEC offices mentioned under the heading "Where You Can Find More Information."

The distribution of this prospectus and the applicable prospectus supplement and the offering of the securities in certain jurisdictions may be restricted by law. Persons into whose possession this prospectus and the applicable prospectus supplement come should inform themselves about and observe any such restrictions. This prospectus and the applicable prospectus supplement do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet at the SEC's web site at http://www.sec.gov. You may also read and copy any document we file with the SEC at its Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You can also obtain copies of the documents at prescribed rates by writing to the Office of Investor Education and Advocacy of the SEC at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1 (800) SEC-0330 for further information on the operation of the Public Reference Room. Our SEC filings are also available at the offices of the New York Stock Exchange. For further information on obtaining copies of our public filings at the New York Stock Exchange, you should call (212) 656-3000.

We "incorporate by reference" into this prospectus the information we file with the SEC, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus. Some information contained in this prospectus updates the information incorporated by reference, and information that we file subsequently with the SEC will automatically update this prospectus. In other words, in the case of a conflict or inconsistency between information set forth in this prospectus and/or information incorporated by reference into this prospectus, you should rely on the information contained in the document that was filed later. We incorporate by reference the documents listed below and any 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, or the "Exchange Act," after the date of this prospectus and prior to the time that we sell all the securities offered by this prospectus (other than any portions of any such documents that are not deemed "filed" under the Exchange Act in accordance with the Exchange Act and applicable SEC rules):

- Annual Report on Form 10-K for the year ended December 31, 2011, including information specifically incorporated by reference into our Form 10-K from our definitive Proxy Statement for our 2012 Annual Meeting of Shareholders;

- Quarterly Reports on Form 10-Q for the quarters ended March 31, 2012, June 30, 2012 and September 30, 2012;

- Current Reports on Form 8-K dated April 25, 2012 (filed on April 26, 2012); July 26, 2012 (filed on July 26, 2012) and October 1, 2012 (filed on October 1, 2012);

- the description of our preferred share purchase rights contained in the Registration Statement on Form 8-A12B filed November 14, 2006, including any amendment or report filed to update such description; and

- the description of our common stock contained in the Registration Statement on Form 8-A12B filed October 24, 2000, including any amendment or report filed to update such description.

You may request a copy of these filings, other than an exhibit to a filing unless that exhibit is specifically incorporated by reference into that filing, at no cost, by writing to or telephoning us at the following address:

Heidi M. Wilson
Vice President, General Counsel and Secretary
Tennant Company
701 North Lilac Drive, P.O. Box 1452
Minneapolis, Minnesota 55440
Phone: (763) 540-1200

You should rely only on the information incorporated by reference or presented in this prospectus or the applicable prospectus supplement. Neither we, nor any underwriters or agents, have authorized anyone else to provide you with different information. We may only use this prospectus to sell securities if it is accompanied by a prospectus supplement. We are only offering these securities in jurisdictions where the offer is permitted. You should not assume that the information in this prospectus or the applicable prospectus supplement is accurate as of any date other than the dates on the front of those documents.

THE COMPANY

Tennant Company is a world leader in designing, manufacturing and marketing solutions that help create a cleaner, safer, healthier world. Our products include equipment for maintaining surfaces in industrial, commercial and outdoor environments; chemical-free and other sustainable cleaning technologies; and coatings for protecting, repairing and upgrading surfaces. We sell our products through our direct sales and service organization and a network of authorized distributors worldwide. Geographically, our customers are located in North America, Latin America, Europe, the Middle East, Africa and Asia Pacific. We strive to be an innovator in our industry through our commitment to understanding our customers' needs and using our expertise to create innovative products and solutions.

USE OF PROCEEDS

Unless the applicable prospectus supplement states otherwise, the net proceeds from the sale of the offered securities will be added to our general funds and will be available for general corporate purposes, including:

- investments in or advances to our existing or future subsidiaries;
- additions to working capital;
- acquisitions;
- capital expenditures;
- repayment of obligations that have matured; and
- reducing our outstanding debt.

We will have significant discretion in the use of the net proceeds. Until the net proceeds have been used, they may be temporarily invested in short-term or other securities.

SELECTED FINANCIAL DATA

The following table sets forth historical financial information for Tennant. Effective January 1, 2012, we adopted the Financial Accounting Standards Board's Accounting Standards Update, or "ASU," No. 2011-05, Comprehensive Income (Topic 220): Presentation of Comprehensive Income, as amended by ASU 2011-12, Comprehensive Income (Topic 220): Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05. These updates revise the manner in which entities present comprehensive income in their financial statements. The following selected financial information revises historical information to illustrate the new presentation required by this pronouncement for the periods presented.

TENNANT COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited)

(In thousands)	Twelve Months Ended December 31		
	2011	2010	2009
Net Earnings	$ 32,713	$ 34,803	$ (26,241)
Other Comprehensive (Loss) Income, net of tax:			
Foreign currency translation adjustments	(3,141)	762	5,104
Pension adjustments	(3,822)	73	(1,822)
Total Other Comprehensive (Loss) Income, net of tax	(6,963)	835	3,282
Comprehensive Income (Loss)	$ 25,750	$ 35,638	$ (22,959)

RATIO OF EARNINGS TO FIXED CHARGES

	Fiscal Year Ended December 31,					Nine Months Ended September 30,	
	2007	2008	2009	2010	2011	2011	2012
Ratio of Earnings to Fixed Charges:	11.6	3.0	(A)	5.7	6.6	6.1	7.3

(A) For the year ended December 31, 2009, earnings were inadequate to cover fixed charges. The deficiency of $24.3 million was due to a net loss of $26.3 million recorded in that year, which included a $43.4 million non-cash goodwill impairment charge.

The ratio of earnings to fixed charges is calculated as follows:

(income before income taxes and effects of changes in accounting principles) – (net income from noncontrolling interests) + (fixed charges) – (capitalized interest)
(fixed charges)

Fixed charges consist of

- interest on short-term borrowings and long-term debt,
- amortization of debt expense,
- capitalized interest, and
- one-third of net rental expense, which we believe is representative of the interest factor.

DESCRIPTION OF DEBT SECURITIES

This section describes the general terms and provisions of our debt securities. The prospectus supplement will describe the specific terms of the debt securities offered through that prospectus supplement and any general terms outlined in this section that will not apply to those debt securities.

The debt securities will be issued under an indenture, referred to herein as the "indenture," between us and the trustee named in the applicable prospectus supplement, referred to herein as the "trustee."

We have summarized the anticipated material terms and provisions of the indenture in this section. We have also filed the form of the indenture as an exhibit to the registration statement of which this prospectus is a part. You should read the indenture for additional information before you buy any debt securities. The summary that follows includes references to section numbers of the indenture so that you can more easily locate these provisions.

General

The debt securities will be our direct unsecured obligations and will rank equally with all of our other unsecured, unsubordinated debt. The indenture does not limit the amount of debt securities that we may issue. The indenture will permit us to issue debt securities from time to time and debt securities issued under the indenture will be issued as part of a series that has been established by us under the indenture. (Section 301)

The debt securities are our unsecured senior securities, but our assets include equity in our subsidiaries. As a result, our ability to make payments on our debt securities depends in part on our receipt of dividends, loan payments and other funds from our subsidiaries. In addition, if any of our subsidiaries becomes insolvent, the direct creditors of that subsidiary will have a prior claim on its assets. Our rights and the rights of our creditors, including your rights as an owner of our debt securities, will be subject to that prior claim, unless we are also a direct creditor of that subsidiary. This subordination of creditors of a parent company to prior claims of creditors of its subsidiaries is commonly referred to as structural subordination.

Unless otherwise specified in the applicable prospectus supplement, we may, without the consent of the holders of a series of debt securities, issue additional debt securities of that series having the same ranking and the same interest rate, maturity date and other terms (except for the price to public and issue date) as such debt securities. Any such additional debt securities, together with the initial debt securities, will constitute a single series of debt securities under the indenture. No additional debt securities of a series may be issued if an event of default under the indenture has occurred and is continuing with respect to that series of debt securities.

A prospectus supplement relating to a series of debt securities being offered will include specific terms relating to the offering. (Section 301) These terms will include some or all of the following:

- the title and type of the debt securities;
- any limit on the total principal amount of the debt securities of that series;
- the price at which the debt securities will be issued;
- the date or dates on which the principal of and any premium on the debt securities will be payable;
- the maturity date or dates of the debt securities or the method by which those dates can be determined;

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- if the debt securities will bear interest:

  - the interest rate on the debt securities or the method by which the interest rate may be determined;

  - the date from which interest will accrue;

  - the record and interest payment dates for the debt securities; and

  - the first interest payment date;

- the place or places where:

  - we can make payments on the debt securities;

  - the debt securities can be surrendered for registration of transfer or exchange; and

  - notices and demands can be given to us relating to the debt securities and under the indenture;

- any optional redemption provisions that would permit us or the holders of debt securities to elect redemption of the debt securities before their final maturity;

- any sinking fund provisions that would obligate us to redeem the debt securities before their final maturity;

- whether the debt securities will be convertible into shares of common stock, shares of preferred stock or depositary shares and, if so, the terms and conditions of any such conversion, and, if convertible into shares of preferred stock or depositary shares, the terms of such preferred stock or depositary shares;

- if the debt securities will be issued in bearer form, the terms and provisions contained in the bearer securities and in the indenture specifically relating to the bearer securities;

- the currency or currencies in which the debt securities will be denominated and payable, if other than U.S. dollars and, if a composite currency, any special provisions relating thereto;

- any circumstances under which the debt securities may be paid in a currency other than the currency in which the debt securities are denominated and any provisions relating thereto;

- whether the provisions described below under the heading "—Defeasance" will not apply to the debt securities;

- any events of default which will apply to the debt securities in addition to those contained in the indenture;

- any additions or changes to the covenants contained in the indenture and the ability, if any, of the holders to waive our compliance with those additional or changed covenants;

- whether all or part of the debt securities will not be issued as permanent global securities and the extent to which the description of the book-entry procedures described below under "—Book-Entry, Delivery and Form" will not apply to such global securities—a "global security" is a debt security that we issue in accordance with the indenture to represent all or part of a series of debt securities;

- whether all or part of the debt securities will be issued in whole or in part as temporary global securities and, if so, the depositary for those temporary global securities and any special provisions dealing with the payment of interest and any terms relating to the ability to exchange interests in a temporary global security for interests in a permanent global security or for definitive debt securities;

- the identity of the trustee, security registrar and paying agent for the debt securities;

- any special tax implications of the debt securities;

- any special provisions relating to the payment of any additional amounts on the debt securities; and

- any other terms of the debt securities.

When we use the term "holder" in this prospectus with respect to a registered debt security, we mean the person in whose name such debt security is registered in the security register. (Section 101)

Exchange and Transfer

Any debt securities of a series can be exchanged for other debt securities of that series so long as the other debt securities are denominated in authorized denominations and have the same aggregate principal amount and same terms as the debt securities that were surrendered for exchange. The debt securities may be presented for registration of transfer, duly endorsed or accompanied by a satisfactory written instrument of transfer, at the office or agency maintained by us for that purpose in any place of payment that we may designate. However, holders of global securities may transfer and exchange global securities only in the manner and to the extent set forth under "—Book Entry, Delivery and Form" below. There will be no service charge for any registration of transfer or exchange of the debt securities, but we may require holders to pay any tax or other governmental charge payable in connection with a transfer or exchange of the debt securities. (Sections 305, 1002) If the applicable prospectus supplement refers to any office or agency, in addition to the security registrar, initially designated by us where holders can surrender the debt securities for registration of transfer or exchange, we may at any time rescind the designation of any such office or agency or approve a change in the location. However, we will be required to maintain an office or agency in each place of payment for that series. (Section 1002)

We will not be required to:

- register the transfer of or exchange debt securities to be redeemed for a period of fifteen calendar days preceding the mailing of the relevant notice of redemption; or

- register the transfer of or exchange any registered debt security selected for redemption, in whole or in part, except the unredeemed or unpaid portion of that registered debt security being redeemed in part. (Section 305)

Interest and Principal Payments

Payments. Holders may present debt securities for payment of principal, premium, if any, and interest, if any, register the transfer of the debt securities and exchange the debt securities at the agency maintained by us for such purpose and identified in the applicable prospectus supplement. We refer to the trustee acting in the capacity of a paying agent for the debt securities as the "paying agent."

Any money that we pay to the paying agent for the purpose of making payments on the debt securities and that remains unclaimed two years after the payments were due will, at our request, be returned to us and after that time any holder of a debt security can only look to us for the payments on the debt security. (Section 1003)

Recipients of Payments. The paying agent will pay interest to the person in whose name the debt security is registered at the close of business on the applicable record date. Unless otherwise specified in the applicable prospectus supplement, the "record date" for any interest payment date is the date 15 calendar days prior to that interest payment date, whether or not that day is a business day. A "business day" means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions are authorized or required by law or regulation to close in New York, New York. However, upon maturity, redemption or repayment, the paying agent will pay any interest due to the person to whom it pays the principal of the debt security. The paying agent will make the payment on the date of maturity, redemption or repayment, whether or not that date is an interest payment date. The paying agent will make the initial interest payment on a debt security on the first interest payment date falling after the date of issuance, unless the date of issuance is less than 15 calendar days before an interest payment date. In that case, the paying agent will pay interest on the next succeeding interest payment date to the holder of record on the record date corresponding to the succeeding interest payment date. An "interest payment date" for any debt security means a date on which, under the terms of that debt security, regularly scheduled interest is payable.

Book-Entry Debt Securities. The paying agent will make payments of principal, premium, if any, and interest, if any, to the account of The Depository Trust Company, referred to herein as "DTC," or other depositary specified in the applicable prospectus supplement, as holder of book-entry debt securities, by wire transfer of immediately available funds. The "depositary" means the depositary for global securities issued under the indenture and, unless provided otherwise in the applicable prospectus supplement, means DTC. We expect that the depositary, upon receipt of any payment, will immediately credit its participants' accounts in amounts proportionate to their respective beneficial interests in the book-entry debt securities as shown on the records of the depositary. We also expect that payments by the depositary's participants to owners of beneficial interests in the book-entry debt securities will be governed by standing customer instructions and customary practices and will be the responsibility of those participants.

Certificated Debt Securities. Except as indicated below for payments of interest at maturity, redemption or repayment, the paying agent will make payments of interest either:

- by check mailed to the address of the person entitled to payment as shown on the security register; or
- by wire transfer to an account designated by a holder, if the holder has given written notice not later than 10 calendar days prior to the applicable interest payment date. (Section 307)

Payments of principal, premium, if any, and interest, if any, upon maturity, redemption or repayment on a debt security will be made in immediately available funds against presentation and surrender of the debt security at the office of the paying agent.

Redemption and Repayment of Debt Securities

Optional Redemption By Us. If applicable, the prospectus supplement will indicate the terms of our option to redeem the debt securities. We will mail a notice of redemption to each holder which, in the case of global securities, will be the depositary, as holder of the global securities, by first-class mail, postage prepaid, at least 30 days and not more than 60 days prior to the date fixed for redemption, or within the redemption notice period designated in the applicable prospectus supplement, to the address of each holder as that address appears upon the books maintained by the security registrar. The debt securities will not be subject to any sinking fund.

A partial redemption of the debt securities may be effected by such method as the trustee shall deem fair and appropriate and may provide for the selection for redemption of a portion of the principal amount of debt securities held by a holder equal to an authorized denomination. If we redeem less than all of the debt securities and the debt securities are then held in book-entry form, the redemption will be made in accordance with the depositary's customary procedures. We have been advised that it is DTC's practice to determine by the lot the amount of each participant in the debt securities to be redeemed.

Unless we default in the payment of the redemption price, on and after the redemption date interest will cease to accrue on the debt securities called for redemption.

Repayment At Option Of Holder. If applicable, the prospectus supplement relating to a series of debt securities will indicate that the holder has the option to have us repay the debt security on a date or dates specified prior to its stated maturity date. Unless otherwise specified in the applicable prospectus supplement, the repayment price will be equal 100% of the principal amount of the debt security, together with accrued interest to the date of repayment.

For us to repay a debt security, the paying agent must receive at least 30 days but not more than 45 days prior to the repayment date:

- the debt security with the form entitled "Option to Elect Repayment" on the reverse of debt security duly completed; or

- a telegram, telex, facsimile transmission or a letter from a member of a national securities exchange, or the Financial Industry Regulatory Authority or a commercial bank or trust company in the United States setting forth the name of the holder of the debt security, the principal amount of the debt security, the principal amount of the debt security to be repaid, the certificate number or a description of the tenor and terms of the debt security, a statement that the option to elect repayment is being exercised and a guarantee that the debt security to be repaid, together with the duly completed form entitled "Option to Elect Repayment" on the reverse of the debt security, will be received by the paying agent not later than the fifth business day after the date of the telegram, telex, facsimile transmission or letter. However, the telegram, telex, facsimile transmission or letter will only be effective if that debt security and form duly completed are received by the paying agent by the fifth business day after the date of that telegram, telex, facsimile transmission or letter.

Exercise of the repayment option by the holder of a debt security will be irrevocable. The holder may exercise the repayment option for less than the entire principal amount of the debt security but, in that event, the principal amount of the debt security remaining outstanding after repayment must be an authorized denomination.

If a debt security is represented by a global security, the depositary or the depositary's nominee will be the holder of the debt security and therefore will be the only entity that can exercise a right to repayment. In order to ensure that the depositary's nominee will timely exercise a right to repayment of a particular debt security, the

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beneficial owner of the debt security must instruct the broker or other direct or indirect participant through which it holds an interest in the debt security to notify the depositary of its desire to exercise a right to repayment. Different firms have different cut-off times for accepting instructions from their customers and, accordingly, each beneficial owner should consult the broker or other direct or indirect participant through which it holds an interest in a debt security in order to ascertain the cut-off time by which an instruction must be given in order for timely notice to be delivered to the depositary.

We may purchase debt securities at any price in the open market or otherwise. Debt securities so purchased by us may, at our discretion, be held or resold or surrendered to the trustee for cancellation.

Denominations

Unless we state otherwise in the applicable prospectus supplement, the debt securities will be issued only in registered form, without coupons, in denominations of $1,000 each or integral multiples of $1,000 in excess thereof.

Consolidation, Merger or Sale

The indenture generally permits a consolidation or merger between us and another entity. It also permits the sale or transfer by us of all or substantially all of our property and assets. These transactions are permitted if:

- the resulting or acquiring entity, if other than us, is organized and existing under the laws of a domestic jurisdiction and assumes all of our responsibilities and liabilities under the indenture, including the payment of all amounts due on the debt securities and performance of the covenants in the indenture; and

- immediately after the transaction, and giving effect to the transaction, no event of default under the indenture exists. (Section 801)

If we consolidate or merge with or into any other entity or sell or lease all or substantially all of our assets according to the terms and conditions of the indenture, the resulting or acquiring entity will be substituted for us in the indenture with the same effect as if it had been an original party to the indenture. As a result, such successor entity may exercise our rights and powers under the indenture, in our name and, except in the case of a lease of all or substantially all of our properties, we will be released from all our liabilities and obligations under the indenture and under the debt securities. (Section 802)

Modification and Waiver

Under the indenture, certain of our rights and obligations and certain of the rights of holders of the debt securities may be modified or amended with the consent of the holders of at least a majority of the aggregate principal amount of the outstanding debt securities of all series of debt securities affected by the modification or amendment, acting as one class. However, the following modifications and amendments will not be effective against any holder without its consent:

- a change in the stated maturity date of any payment of principal or interest;

- a reduction in payments due on the debt securities;

- a change in the place of payment or currency in which any payment on the debt securities is payable;

- a limitation of a holder's right to sue us for the enforcement of payments due on the debt securities;

- a reduction in the percentage of outstanding debt securities required to consent to a modification or amendment of the indenture or required to consent to a waiver of compliance with certain provisions of the indenture or certain defaults under the indenture;

- a reduction in the requirements contained in the indenture for quorum or voting;

- a limitation of a holder's right, if any, to repayment of debt securities at the holder's option; and

- a modification of any of the foregoing requirements contained in the indenture. (Section 902)

Under the indenture, the holders of at least a majority of the aggregate principal amount of the outstanding debt securities of all series of debt securities affected by a particular covenant or condition, acting as one class, may, on behalf of all holders of such series of debt securities, waive compliance by us with any covenant or condition contained in the indenture unless we specify that such covenant or condition cannot be so waived at the time we establish the series.

In addition, under the indenture, the holders of a majority in aggregate principal amount of the outstanding debt securities of any series of debt securities may, on behalf of all holders of that series, waive any past default under the indenture, except:

- a default in the payment of the principal of or any premium or interest on any debt securities of that series; or

- a default under any provision of the indenture which itself cannot be modified or amended without the consent of the holders of each outstanding debt security of that series. (Section 513)

Events of Default

Unless otherwise specified in the applicable prospectus supplement, an "event of default," when used in the indenture with respect to any series of debt securities, means any of the following:

- failure to pay interest on any debt security of that series for 30 days after the payment is due;

- failure to pay the principal of or any premium on any debt security of that series when due;

- failure to deposit any sinking fund payment on debt securities of that series when due;

- failure to perform any other covenant in the indenture that applies to debt securities of that series for 90 days after we have received written notice of the failure to perform in the manner specified in the indenture;

- certain events in bankruptcy, insolvency or reorganization; or

- any other event of default that may be specified for the debt securities of that series when that series is created. (Section 501)

If an event of default for any series of debt securities occurs and continues, the trustee or the holders of at least 25% in aggregate principal amount of the outstanding debt securities of the series may declare the entire

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principal of all the debt securities of that series to be due and payable immediately. If such a declaration occurs, the holders of a majority of the aggregate principal amount of the outstanding debt securities of that series can, subject to conditions, rescind the declaration. (Sections 502, 513)

The indenture requires us to file an officers' certificate with the trustee each year that states, to the knowledge of the certifying officers, whether or not any defaults exist under the terms of the indenture. (Section 1005) The trustee may withhold notice to the holders of debt securities of any default, except defaults in the payment of principal, premium, interest or any sinking fund installment, if it considers the withholding of notice to be in the best interests of the holders. For purposes of this paragraph, "default" means any event which is, or after notice or lapse of time or both would become, an event of default under the indenture with respect to the debt securities of the applicable series. (Section 602)

Other than its duties in the case of a default, a trustee is not obligated to exercise any of its rights or powers under the indenture at the request, order or direction of any holders, unless the holders offer the trustee reasonable indemnification. (Sections 601, 603) If reasonable indemnification is provided, then, subject to other rights of the trustee, the holders of a majority in principal amount of the outstanding debt securities of any series may, with respect to the debt securities of that series, direct the time, method and place of:

- conducting any proceeding for any remedy available to the trustee; or
- exercising any trust or power conferred upon the trustee. (Sections 512, 603)

The holder of a debt security of any series will have the right to begin any proceeding with respect to the indenture or for any remedy only if:

- the holder has previously given the trustee written notice of a continuing event of default with respect to that series;
- the holders of at least 25% in aggregate principal amount of the outstanding debt securities of that series have made a written request of, and offered reasonable indemnification to, the trustee to begin such proceeding;
    - the trustee has not started such proceeding within 60 days after receiving the request; and
- the trustee has not received directions inconsistent with such request from the holders of a majority in aggregate principal amount of the outstanding debt securities of that series during those 60 days. (Section 507)

However, the holder of any debt security will have an absolute right to receive payment of principal of and any premium and interest on the debt security when due and to institute suit to enforce this payment.

Defeasance

Defeasance and Discharge. At the time that we establish a series of debt securities under the indenture, we can provide that the debt securities of that series are subject to the defeasance and discharge provisions of the indenture. Unless we specify otherwise in the applicable prospectus supplement, the debt securities offered thereby will be subject to the defeasance and discharge provisions of the indenture, and we will be discharged from our obligations on the debt securities of that series if:

- we deposit with the trustee, in trust, sufficient money or, if the debt securities of that series are denominated and payable in U.S. dollars only, Eligible Instruments, to pay the principal, any

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interest, any premium and any other sums due on the debt securities of that series, such as sinking fund payments, on the dates the payments are due under the indenture and the terms of the debt securities;

- we deliver to the trustee an opinion of counsel that states that the holders of the debt securities of that series will not recognize income, gain or loss for federal income tax purposes as a result of the deposit and will be subject to federal income tax on the same amounts and in the same manner and at the same times as would have been the case if no deposit had been made; and

- if the debt securities of that series are listed on any domestic or foreign securities exchange, the debt securities will not be delisted as a result of the deposit. (Section 403)

When we use the term "Eligible Instruments" in this section, we mean monetary assets, money market instruments and securities that are payable in U.S. dollars only and essentially risk free as to collection of principal and interest, including:

- direct obligations of the United States backed by the full faith and credit of the United States; or

- any obligation of a person controlled or supervised by and acting as an agency or instrumentality of the United States if the timely payment of the obligation is unconditionally guaranteed as a full faith and credit obligation by the United States. (Section 101)

In the event that we deposit money and/or Eligible Instruments in trust and discharge our obligations under a series of debt securities as described above, then:

- the indenture will no longer apply to the debt securities of that series; however, certain obligations to compensate, reimburse and indemnify the trustee, to register the transfer and exchange of debt securities, to replace lost, stolen or mutilated debt securities, to maintain paying agencies and the trust funds and to pay additional amounts, if any, required as a result of U.S. withholding taxes imposed on payments to non-U.S. persons will continue to apply; and

- holders of debt securities of that series can only look to the trust fund for payment of principal, any premium and any interest on the debt securities of that series. (Section 403)

Defeasance of Certain Covenants and Certain Events of Default. At the time that we establish a series of debt securities under the indenture, we can provide that the debt securities of that series are subject to the covenant defeasance provisions of the indenture. Unless we specify otherwise in the applicable prospectus supplement, the debt securities offered thereby will be subject to the covenant defeasance provisions of the indenture, and if we make the deposit and deliver the opinion of counsel described above in this section under the heading "—Defeasance and Discharge" we will not have to comply with any covenant we designate when we establish the series of debt securities. In the event of a covenant defeasance, our obligations under the indenture and the debt securities, other than with respect to the covenants specifically designated upon establishing the debt securities, will remain in effect. (Section 1501)

If we exercise our option not to comply with certain covenants as described above and the debt securities of the series become immediately due and payable because an event of default has occurred, other than as a result of an event of default specifically relating to any of such covenants, the amount of money and/or Eligible Instruments on deposit with the trustee will be sufficient to pay the principal, any interest, any premium and any other sums, due on the debt securities of that series, such as sinking fund payments, on the date the payments are due under the indenture and the terms of the debt securities, but may not be sufficient to pay amounts due at the time of acceleration. However, we would remain liable for the balance of the payments. (Section 1501)

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Payment of Additional Amounts

Unless we specify otherwise in the applicable prospectus supplement, we will not pay any additional amounts on the debt securities offered thereby to compensate any beneficial owner for any United States tax withheld from payments on such debt securities.

Book-Entry, Delivery and Form

We have obtained the information in this section concerning DTC, Clearstream Banking S.A., or "Clearstream," and Euroclear Bank S.A./N.V., as operator of the Euroclear System, or "Euroclear," and the book-entry system and procedures from sources that we believe to be reliable .

Unless otherwise specified in the applicable prospectus supplement, the debt securities will be issued as fully-registered global securities which will be deposited with, or on behalf of, DTC and registered, at the request of DTC, in the name of Cede & Co. Beneficial interests in the global securities will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct or indirect participants in DTC. The direct and indirect participants will remain responsible for keeping account of their holdings on behalf of their customers. Investors may elect to hold their interests in the global securities through either DTC (in the United States) or (in Europe) through Clearstream or through Euroclear. Investors may hold their interests in the global securities directly if they are participants of such systems, or indirectly through organizations that are participants in these systems. Clearstream and Euroclear will hold interests on behalf of their participants through customers' securities accounts in Clearstream's and Euroclear's names on the books of their respective depositaries, which in turn will hold these interests in customers' securities accounts in the depositaries' names on the books of DTC. Citibank, N.A. will act as depositary for Clearstream, and The Bank of New York Mellon will act as depositary for Euroclear. We will refer to Citibank, N.A. and The Bank of New York Mellon in these capacities as the "U.S. Depositaries." Unless otherwise specified in the applicable prospectus supplement, beneficial interests in the global securities will be held in denominations of $1,000 and multiples of $1,000 in excess thereof. Except as set forth below, the global securities may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee.

Debt securities represented by a global security can be exchanged for definitive securities in registered form only if:

- DTC notifies us that it is unwilling or unable to continue as depositary for that global security and we do not appoint a qualified successor depositary within 90 days after receiving that notice;

- at any time DTC ceases to be a clearing agency registered under the Exchange Act and we do not appoint a successor depositary within 90 days after becoming aware that DTC has ceased to be registered as a clearing agency;

- we in our sole discretion determine that such global security will be exchangeable for definitive securities in registered form or elect to terminate the book-entry system through DTC and notify the trustee of our decision; or

- an event of default with respect to the debt securities represented by that global security has occurred and is continuing.

A global security that can be exchanged as described in the preceding sentence will be exchanged for definitive securities issued in authorized denominations in registered form for the same aggregate amount. The definitive securities will be registered in the names of the owners of the beneficial interests in the global security as directed by DTC.

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We will make principal and interest payments on all debt securities represented by a global security to the paying agent which in turn will make payment to DTC or its nominee, as the case may be, as the sole registered owner and the sole holder of the debt securities represented by a global security for all purposes under the indenture. Accordingly, we, the trustee and any paying agent will have no responsibility or liability for:

- any aspect of DTC's records relating to, or payments made on account of, beneficial ownership interests in a debt security represented by a global security;
- any other aspect of the relationship between DTC and its participants or the relationship between those participants and the owners of beneficial interests in a global security held through those participants; or
- the maintenance, supervision or review of any of DTC's records relating to those beneficial ownership interests.

DTC has advised us that its current practice is to credit direct participants' accounts on each payment date with payments in amounts proportionate to their respective beneficial interests in the principal amount of such global security as shown on DTC's records, upon DTC's receipt of funds and corresponding detail information. The underwriters or agents for the debt securities represented by a global security will initially designate the accounts to be credited. Payments by participants to owners of beneficial interests in a global security will be governed by standing instructions and customary practices, as is the case with securities held for customer accounts registered in "street name," and will be the sole responsibility of those participants, and not of DTC or its nominee, the trustee, any agent of ours, or us, subject to any statutory or regulatory requirements. Book-entry notes may be more difficult to pledge because of the lack of a physical note.

DTC

So long as DTC or its nominee is the registered owner of a global security, DTC or its nominee, as the case may be, will be considered the sole owner and holder of the debt securities represented by that global security for all purposes of the debt securities. Owners of beneficial interests in the debt securities will not be entitled to have debt securities registered in their names, will not receive or be entitled to receive physical delivery of the debt securities in definitive form and will not be considered owners or holders of debt securities under the indenture. Accordingly, each person owning a beneficial interest in a global security must rely on the procedures of DTC and, if that person is not a DTC participant, on the procedures of the participant through which that person owns its interest, to exercise any rights of a holder of debt securities. The laws of some jurisdictions may require that certain purchasers of securities take physical delivery of the securities in certificated form. These laws may impair the ability to transfer beneficial interests in a global security. Beneficial owners may experience delays in receiving distributions on their debt securities since distributions will initially be made to DTC and must then be transferred through the chain of intermediaries to the beneficial owner's account.

We understand that, under existing industry practices, if we request holders to take any action, or if an owner of a beneficial interest in a global security desires to take any action which a holder is entitled to take under the indenture, then DTC would authorize the participants holding the relevant beneficial interests to take that action and those participants would authorize the beneficial owners owning through such participants to take that action or would otherwise act upon the instructions of beneficial owners owning through them.

Beneficial interests in a global security will be shown on, and transfers of those ownership interests will be effected only through, records maintained by DTC and its participants for that global security. The conveyance of notices and other communications by DTC to its participants and by its participants to owners of beneficial interests in the debt securities will be governed by arrangements among them, subject to any statutory or regulatory requirements in effect.

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DTC has advised us that it is a limited-purpose trust company organized under the New York banking law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered under the Exchange Act. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries.

DTC holds the securities of its participants and facilitates the clearance and settlement of securities transactions among its participants in such securities through electronic book-entry changes in accounts of its participants. The electronic book-entry system eliminates the need for physical certificates. DTC's participants include securities brokers and dealers, including underwriters, banks, trust companies, clearing corporations and certain other organizations, some of which, and/or their representatives, own DTCC. Banks, brokers, dealers, trust companies and others that clear through or maintain a custodial relationship with a participant, either directly or indirectly, also have access to DTC's book-entry system. The rules applicable to DTC and its participants are on file with the SEC.

DTC has advised us that the above information with respect to DTC has been provided to its participants and other members of the financial community for informational purposes only and is not intended to serve as a representation, warranty or contract modification of any kind.

Clearstream

Clearstream has advised us that it is incorporated under the laws of Luxembourg as an international clearing system. Clearstream holds securities for its participating organizations, or "Clearstream Participants," and facilitates the clearance and settlement of securities transactions between Clearstream Participants through electronic book-entry changes in accounts of Clearstream Participants, thereby eliminating the need for physical movement of certificates. Clearstream provides to Clearstream Participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream interfaces with domestic securities markets in several countries. As a professional depositary, Clearstream is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector (Commission de Surveillance du Secteur Financier). Clearstream Participants are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Clearstream's U.S. Participants are limited to securities brokers and dealers and banks. Indirect access to Clearstream is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream Participant either directly or indirectly.

Distributions with respect to debt securities held beneficially through Clearstream will be credited to cash accounts of Clearstream Participants in accordance with its rules and procedures, to the extent received by the U.S. Depositary for Clearstream.

Euroclear

Euroclear has advised us that it was created in 1968 to hold securities for participants of Euroclear, or "Euroclear Participants," and to clear and settle transactions between Euroclear Participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear performs various other services, including securities lending and borrowing and interacts with domestic markets in several countries. Euroclear is operated by Euroclear Bank S.A./N.V., or the "Euroclear Operator," under contract with Euroclear plc, a U.K. corporation. All operations are conducted by the Euroclear Operator, and all Euroclear

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securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator, not Euroclear plc. Euroclear plc establishes policy for Euroclear on behalf of Euroclear Participants. Euroclear Participants include banks, including central banks, securities brokers and dealers and other professional financial intermediaries. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear Participant, either directly or indirectly. Euroclear is an indirect participant in DTC.

The Euroclear Operator is a Belgian bank. As such it is regulated by the Belgian Banking and Finance Commission and the National Bank of Belgium.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law, which we will refer to herein as the "Terms and Conditions." The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear Participants, and has no record of or relationship with persons holding through Euroclear Participants.

Distributions with respect to debt securities held beneficially through Euroclear will be credited to the cash accounts of Euroclear Participants in accordance with the Terms and Conditions, to the extent received by the Euroclear Operator.

Euroclear has further advised us that investors that acquire, hold and transfer interests in the debt securities by book-entry through accounts with the Euroclear Operator or any other securities intermediary are subject to the laws and contractual provisions governing their relationship with their intermediary, as well as the laws and contractual provisions governing the relationship between such an intermediary and each other intermediary, if any, standing between themselves and the global securities.

Global Clearance and Settlement Procedures

Unless otherwise specified in the applicable prospectus supplement, initial settlement for the debt securities will be made in immediately available funds. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC rules and will be settled in immediately available funds using DTC's Same-Day Funds Settlement System. Secondary market trading between Clearstream Participants and/or Euroclear Participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream and Euroclear and will be settled using the procedures applicable to conventional eurobonds in immediately available funds.

Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream Participants or Euroclear Participants, on the other, will be effected through DTC in accordance with DTC rules on behalf of the relevant European international clearing system by its U.S. Depositary; however, such cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (European time). The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to its U.S. Depositary to take action to effect final settlement on its behalf by delivering or receiving debt securities through DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream Participants and Euroclear Participants may not deliver instructions directly to their respective U.S. Depositaries.

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Because of time-zone differences, credits of debt securities received through Clearstream or Euroclear as a result of a transaction with a DTC participant will be made during subsequent securities settlement processing and dated the business day following the DTC settlement date. Such credits or any transactions in such debt securities settled during such processing will be reported to the relevant Euroclear Participants or Clearstream Participants on such business day. Cash received in Clearstream or Euroclear as a result of sales of debt securities by or through a Clearstream Participant or a Euroclear Participant to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream or Euroclear cash account only as of the business day following settlement in DTC.

If the debt securities are cleared only through Euroclear and Clearstream (and not DTC), you will be able to make and receive through Euroclear and Clearstream payments, deliveries, transfers, exchanges, notices, and other transactions involving any securities held through those systems only on days when those systems are open for business. Those systems may not be open for business on days when banks, brokers, and other institutions are open for business in the United States. In addition, because of time-zone differences, U.S. investors who hold their interests in the securities through these systems and wish to transfer their interests, or to receive or make a payment or delivery or exercise any other right with respect to their interests, on a particular day may find that the transaction will not be effected until the next business day in Luxembourg or Brussels, as applicable. Thus, U.S. investors who wish to exercise rights that expire on a particular day may need to act before the expiration date.

Although DTC, Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of debt securities among participants of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures and such procedures may be modified or discontinued at any time. Neither we nor any paying agent will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective direct or indirect participants of their obligations under the rules and procedures governing their operations.

Conversion and Exchange

If any offered debt securities are convertible into preferred stock, depositary shares or common stock at the option of the holders or exchangeable for preferred stock, depositary shares or common stock at our option, the prospectus supplement relating to those debt securities will include the terms and conditions governing any conversions and exchanges.

Notices

Unless otherwise specified in the applicable prospectus supplement, any notices required to be given to the holders of the debt securities in global form will be given to the depositary.

Governing Law

The indenture is, and the debt securities will be, governed by and will be construed in accordance with New York law.

DESCRIPTION OF PREFERRED STOCK

The terms and provisions of our preferred stock that may be offered by this prospectus will be described in the applicable prospectus supplement. We have filed our restated articles of incorporation, as amended, and the certificate of designation for our Series A Junior Participating Preferred Stock, as amended, as exhibits to the registration statement of which this prospectus is a part. You should read our restated articles of incorporation, as amended, the certificate of designation for our Series A Junior Participating Preferred Stock, as amended, and the certificate of designation relating to the applicable series of the preferred stock for additional information before you buy any preferred stock.

General

Pursuant to our restated articles of incorporation, as amended, our board of directors has the authority, without further shareholder action unless required by the listing standards of the New York Stock Exchange, to issue a maximum of 1,000,000 shares of preferred stock (including shares issued or reserved for issuance), 500,000 of which have been designated as Series A Junior Participating Preferred Stock. Our Series A Junior Participating Preferred Stock is described under the heading "Description of Common Stock – Anti-takeover Provisions Contained in the Articles of Incorporation and By-laws and the Minnesota Business Corporation Act – Rights Agreement." As of September 30, 2012, there were no shares of preferred stock outstanding. Our board of directors has the authority to determine or fix the following terms with respect to shares of any series of preferred stock:

- the number of shares and designation or title of the shares;
- dividend rights;
- whether and upon what terms the shares will be redeemable;
- the rights of the holders upon our dissolution or upon the distribution of our assets;
- whether and upon what terms the shares will have a purchase, retirement or sinking fund;
- whether and upon what terms the shares will be convertible;
- the voting rights, if any, which will apply; and
- any other preferences, rights, limitations or restrictions of the series.

If we purchase, redeem or convert shares of preferred stock, we will retire and cancel them and restore them to the status of authorized but unissued shares of preferred stock. Those shares will not be part of any particular series of preferred stock and may be reissued by us.

As described under "Description of Depositary Shares" below, we may elect to offer depositary shares represented by depositary receipts. If we so elect, each depositary share will represent a fractional interest, to be specified in the applicable prospectus supplement, in a share of preferred stock. If we issue depositary shares representing interests in preferred stock, those shares of preferred stock will be deposited with a depositary.

You should read the prospectus supplement relating to the particular series of the preferred stock it offers for specific terms, including:

- the title, stated value and liquidation preference of the preferred stock and the number of shares offered;

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- the initial public offering price at which we will issue the preferred stock;
- the voting rights of the preferred stock;
- the dividend rate or rates, or method of calculation of dividends, the dividend periods, the dates on which dividends will be payable and whether the dividends will be cumulative or noncumulative and, if cumulative, the dates from which the dividends will start to cumulate;
- any redemption or sinking fund provisions;
- any conversion provisions;
- whether we have elected to offer depositary shares as described under “Description of Depositary Shares” below; and
- any additional dividend, liquidation, redemption, sinking fund and other rights, preferences, privileges, limitations and restrictions.

When we issue shares of preferred stock, they will be fully paid and non-assessable. This means you will have paid the full purchase price for your shares of preferred stock and you will not be assessed any additional amount for your stock.

DESCRIPTION OF DEPOSITARY SHARES

This section describes the general terms and provisions of the depositary shares. The prospectus supplement will describe the specific terms of the depositary shares offered through that prospectus supplement and any general terms outlined in this section that will not apply to those depositary shares.

We have summarized the material terms and provisions of the deposit agreement, the depositary shares and the depositary receipts in this section. We will file the deposit agreement, including the form of depositary receipt, with the SEC either as an exhibit to an amendment to the registration statement of which this prospectus is a part or as an exhibit to a current report on Form 8-K or other document incorporated by reference into this prospectus. You should read the deposit agreement and depositary receipt relating to a series of preferred stock for additional information before you buy any depositary shares that represent preferred stock of that series.

General

We may offer fractional interests in preferred stock, rather than full shares of preferred stock. If we do, we will provide for the issuance by a depositary to the public of receipts for depositary shares, each of which will represent a fractional interest in a share of a particular series of preferred stock.

The shares of any series of preferred stock underlying the depositary shares will be deposited under a separate deposit agreement between us and a bank or trust company having its principal office in the United States and having a combined capital and surplus of at least $50 million, which we refer to in this section as the “depositary.” We will name the depositary in the applicable prospectus supplement. Subject to the terms of the deposit agreement, each owner of a depositary share will have a fractional interest in all the rights and preferences of the preferred stock underlying the depositary share. Those rights include any dividend, voting, redemption, conversion and liquidation rights.

The depositary shares will be evidenced by depositary receipts issued under the deposit agreement. If you purchase fractional interests in shares of the related series of preferred stock, you will receive depositary receipts as described in the applicable prospectus supplement. While the final depositary receipts are being prepared, we may order the depositary to issue temporary depositary receipts substantially identical to the final depositary receipts although not in final form. The holders of the temporary depositary receipts will be entitled to the same rights as if they held the depositary receipts in final form. Holders of the temporary depositary receipts can exchange them for the final depositary receipts at our expense.

Unless we specify otherwise in the applicable prospectus supplement, you will not be entitled to receive the whole shares of preferred stock underlying the depositary shares.

Dividends and Other Distributions

The depositary will distribute all cash dividends or other cash distributions received with respect to the preferred stock to the record holders of depositary shares representing the shares of preferred stock in proportion to the numbers of depositary shares owned by the holders on the relevant record date. The depositary will not distribute amounts less than one cent. The depositary will distribute any balance with the next sum received for distribution to record holders of depositary shares.

If there is a distribution other than in cash, the depositary will distribute property to the holders of depositary shares, unless the depositary determines that it is not feasible to make the distribution. If this occurs, the depositary may, with our approval, sell the property and distribute the net proceeds from the sale to the holders of depositary shares.

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The deposit agreement will also contain provisions relating to how any subscription or similar rights offered by us to holders of the preferred stock will be made available to the holders of depositary shares.

Redemption of Depositary Shares

If the series of the preferred stock underlying the depositary shares is subject to redemption, all or a part of the depositary shares will be redeemed from the redemption proceeds of that series of the preferred stock held by the depositary. The depositary will mail notice of redemption between 30 to 60 days prior to the date fixed for redemption to the record holders of the depositary shares to be redeemed at their addresses appearing in the depositary's records. The redemption price per depositary share will bear the same relationship to the redemption price per share of preferred stock that the depositary share bears to the underlying preferred stock. Whenever we redeem preferred stock held by the depositary, the depositary will redeem, as of the same redemption date, the number of depositary shares representing the preferred stock redeemed. If less than all the depositary shares are to be redeemed, the depositary shares to be redeemed will be selected by lot or pro rata as determined by the depositary.

After the date fixed for redemption, the depositary shares called for redemption will no longer be outstanding. When the depositary shares are no longer outstanding, all rights of the holders will cease, except the right to receive money or other property that the holders of the depositary shares were entitled to receive upon the redemption. Payments will be made when holders surrender their depositary receipts to the depositary.

Voting the Preferred Stock

When the depositary receives notice of any meeting at which the holders of the preferred stock may vote, the depositary will mail information about the meeting contained in the notice, and any accompanying proxy materials, to the record holders of the depositary shares relating to the preferred stock. Each record holder of such depositary shares on the record date, which will be the same date as the record date for the preferred stock, will be entitled to instruct the depositary as to how the preferred stock underlying the holder's depositary shares should be voted.

The depositary will try, if practical, to vote the number of shares of preferred stock underlying the depositary shares according to the instructions received. We will agree to take all action requested by and deemed necessary by the depositary in order to enable the depositary to vote the preferred stock in that manner. The depositary will not vote any preferred stock for which it does not receive specific instructions from the holders of the depositary shares relating to such preferred stock.

Taxation

Owners of depositary shares will be treated for federal income tax purposes as if they were owners of the preferred stock represented by the depositary shares. Accordingly, for federal income tax purposes they will have the income and deductions to which they would be entitled if they were holders of the preferred stock. In addition:

- no gain or loss will be recognized for federal income tax purposes upon the withdrawal of preferred stock in exchange for depositary shares as provided in the deposit agreement;

- the tax basis of each share of preferred stock to an exchanging owner of depositary shares will, upon the exchange, be the same as the aggregate tax basis of the depositary shares exchanged for such preferred stock; and

- the holding period for the preferred stock, in the hands of an exchanging owner of depositary shares who held the depositary shares as a capital asset at the time of the exchange, will include the period that the owner held the depositary shares.

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Amendment and Termination of the Deposit Agreement

The form of depositary receipt evidencing the depositary shares and any provision of the deposit agreement may be amended by agreement between us and the depositary at any time. However, any amendment that materially and adversely alters the rights of the existing holders of depositary shares will not be effective unless approved by the record holders of at least a majority of the depositary shares then-outstanding. A deposit agreement may be terminated by us or the depositary only if:

- all outstanding depositary shares relating to the deposit agreement have been redeemed; or
- there has been a final distribution on the preferred stock of the relevant series in connection with our liquidation, dissolution or winding up of our business and the distribution has been distributed to the holders of the related depositary shares.

Charges of Depositary

We will pay all transfer and other taxes and governmental charges arising solely from the existence of the depositary arrangements. We will pay associated charges of the depositary for the initial deposit of the preferred stock and any redemption of the preferred stock. Holders of depositary shares will pay transfer and other taxes and governmental charges and any other charges that are stated to be their responsibility in the deposit agreement.

Miscellaneous

We will forward to the depositary, for distribution to the holders of depositary shares, all reports and communications that we must furnish to the holders of the preferred stock.

Neither the depositary nor we will be liable if the depositary is prevented or delayed by law or any circumstance beyond its control in performing its obligations under the deposit agreement. Our obligations and the depositary's obligations under the deposit agreement will be limited to performance in good faith of duties set forth in the deposit agreement. Neither the depositary nor we will be obligated to prosecute or defend any legal proceeding connected with any depositary shares or preferred stock unless satisfactory indemnity is furnished to us and/or the depositary. We and the depositary may rely upon written advice of counsel or accountants, or information provided by persons presenting preferred stock for deposit, holders of depositary shares or other persons believed to be competent and on documents believed to be genuine.

Resignation and Removal of Depositary

The depositary may resign at any time by delivering notice to us. We may also remove the depositary at any time. Resignations or removals will take effect when a successor depositary is appointed and it accepts the appointment. The successor depositary must be appointed within 60 days after delivery of the notice of resignation or removal and must be a bank or trust company having its principal office in the United States and having a combined capital and surplus of at least $50 million.

DESCRIPTION OF COMMON STOCK

This section describes our common stock. The specific terms and provisions of our common stock that may be offered by this prospectus will be described in the applicable prospectus supplement. Our common stock may be offered directly or in connection with the conversion, exchange or exercise of debt securities, preferred stock or depositary shares. We have filed our restated articles of incorporation, as amended, including the certificate of designation for our Series A Junior Participating Preferred Stock, as amended, and our amended and restated by-laws as exhibits to the registration statement of which this prospectus is a part. You should read our restated articles of incorporation, as amended, our certificate of designation, as amended, and our amended and restated by-laws for additional information before you buy any common stock offered hereunder.

General

Shares Outstanding. As of September 30, 2012, our authorized common stock was 60,000,000 shares. Of these authorized shares, 18,578,029 were issued and outstanding on September 30, 2012.

Dividends. Subject to the prior rights of holders of preferred stock, the holders of common stock are entitled to receive dividends when and as declared by our board of directors out of funds legally available for dividends.

Voting Rights. Holders of common stock are entitled to one vote per share on all matters to be voted upon by our shareholders. All shares of common stock rank equally as to voting and all other matters. Shares of common stock are not entitled to cumulative voting rights. This means that a holder of a single share of common stock cannot cast more than one vote for each position to be filled on our board of directors.

Other Rights. Upon a liquidation of our company, creditors and holders of preferred stock with preferential liquidation rights will be paid before any distribution to holders of common stock. The holders of common stock would be entitled to receive a pro rata distribution per share of any excess amount. The shares of common stock have no preemptive or conversion rights and have no redemption or sinking fund provisions. Since the holders of our common stock have no preemptive rights, this means that, as holders of common stock, they have no right to buy any portion of securities we may issue in the future.

Listing. Our outstanding shares of common stock are listed on the New York Stock Exchange under the symbol “TNC.” Wells Fargo Bank, N.A. serves as the transfer agent and registrar for the common stock.

Fully Paid. The outstanding shares of common stock are fully paid and nonassessable. This means the full purchase price for the outstanding shares of common stock has been paid and the holders of such shares will not be assessed any additional amounts for such shares. Any additional common stock that we may issue in the future pursuant to this prospectus will also be fully paid and nonassessable.

Anti-takeover Provisions Contained in our Articles of Incorporation and By-laws and the Minnesota Business Corporation Act

Certain provisions of our restated articles of incorporation, as amended, and amended and restated by-laws and of Minnesota law described below could have an anti-takeover effect. These provisions are intended to provide management flexibility to enhance the likelihood of continuity and stability in the composition of our board of directors and in the policies formulated by our board and to discourage an unsolicited takeover of our company, if our board determines that such a takeover is not in the best interests of our company and our shareholders. However, these provisions could have the effect of discouraging attempts to acquire us which could deprive our shareholders of opportunities to sell their shares of common stock at prices higher than prevailing market prices.

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Preferred Stock. Our restated articles of incorporation, as amended, empower our board of directors to issue the undesignated preferred stock from time to time in one or more series. Our board of directors may also fix the designation and relative rights and preferences of each such series. Terms selected could decrease the amount of earnings and assets available for distribution to holders of common stock or adversely affect the rights and powers, including voting rights, of the holders of the common stock without any further action by our shareholders. The rights of holders of common stock will be subject to, and may be adversely affected by, the rights of the holders of any preferred stock that may be issued in the future. The issuance of new preferred stock could have the effect of delaying or preventing a change in control of our company or make removal of our management more difficult. Additionally, the issuance of new preferred stock may have the effect of decreasing the market price of the common stock, and may adversely affect the voting and other rights of the holders of the common stock. Any issuance of new preferred stock could have the effect of making it more difficult for a third party to acquire a majority of our outstanding voting stock.

Related Person Business Transactions. Under our restated articles of incorporation, as amended, "Related Person Business Transactions" subject to specified exceptions, require the approval of two-thirds of the voting power of our outstanding shares. A "Related Person Business Transaction" includes certain mergers or share exchanges involving us and a shareholder that, together with its affiliates and associates, beneficially owns at least 20% of our voting shares, the sale or other disposition by us of substantial assets to a 20% shareholder, the sale or other disposition by a 20% shareholder of substantial assets to us, certain issuances of securities by us to a 20% shareholder and certain recapitalizations or reclassifications or the adoption by us of a plan of liquidation or dissolution while we have a 20% shareholder. The two-thirds voting requirement does not apply if the transaction is pre-approved by at least two-thirds of our directors who were board members before the 20% shareholder became a 20% shareholder (excluding the 20% shareholder or its affiliates or associates). A merger or share exchange is also excepted from the two-thirds voting requirement if the per-share consideration received by our common stockholders in the transaction equals or exceeds the highest per-share consideration paid by the 20% shareholder in acquiring any of our common stock.

Statutory Provisions. Section 302A.671 of the Minnesota Business Corporation Act applies, with certain exceptions, to any acquisitions of our voting stock from a person other than us, and other than in connection with certain mergers and exchanges to which we are a party and certain tender offers or exchange offers approved in advance by a disinterested board committee, resulting in the beneficial ownership of 20% or more of the voting power of our then outstanding stock. Section 302A.671 requires approval of the granting of voting rights for the shares received pursuant to any such acquisitions by a vote of our shareholders holding a majority of the voting power of our outstanding shares and a majority of the voting power of our outstanding shares that are not held by the acquiring person, our officers or those non-officer employees, if any, who are also our directors. Similar voting requirements are imposed for acquisitions resulting in beneficial ownership of 33-1/3% or more or a majority of the voting power of our then outstanding stock. In general, shares acquired without this approval are denied voting rights in excess of the 20%, 33-1/3% or 50% thresholds and, to that extent, can be called for redemption at their then fair market value by us within 30 days after the acquiring person has failed to deliver a timely information statement to us or the date our shareholders voted not to grant voting rights to the acquiring person's shares.

Section 302A.673 of the Minnesota Business Corporation Act generally prohibits any business combination by us, or any subsidiary of ours, with any shareholder that beneficially owns 10% or more of the voting power of our outstanding shares (an "interested shareholder") within four years following the time the interested shareholder crosses the 10% stock ownership threshold, unless the business combination is approved by a committee of disinterested members of our board of directors before the time the interested shareholder crosses the 10% stock ownership threshold.

Section 302A.675 of the Minnesota Business Corporation Act generally prohibits an offeror from acquiring our shares within two years following the offeror's last purchase of our shares pursuant to a takeover

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offer with respect to that class, unless our shareholders are able to sell their shares to the offeror upon substantially equivalent terms as those provided in the earlier takeover offer. This statute will not apply if the acquisition of shares is approved by a committee of disinterested members of our board of directors before the purchase of any shares by the offeror pursuant to the earlier takeover offer.

Rights Agreement. Our board of directors is authorized to establish one or more series of preferred stock, setting forth the designation of each such series, and fixing the relative rights and preferences of each such series. On November 10, 2006, our board of directors approved a rights agreement and declared a dividend of one preferred share purchase right for each outstanding share of common stock. Each right entitles the registered holder to purchase from us one one-hundredth of a Series A Junior Participating Preferred Share of the par value of $0.02 per share at a price of $100 per one one-hundredth of a preferred share, subject to adjustment. The rights are not exercisable or transferable apart from the common stock until the earlier of: (i) the close of business on the fifteenth day following a public announcement that a person or group of affiliated or associated persons has become an “Acquiring Person” (i.e., has become, subject to certain exceptions, including for stock ownership by employee benefit plans, the beneficial owner of 20% or more of the outstanding common stock), or (ii) the close of business on the fifteenth day following the first public announcement of a tender offer or exchange offer the consummation of which would result in a person or group of affiliated or associated persons becoming, subject to certain exceptions, the beneficial owner of 20% or more of the outstanding common stock (or such later date as may be determined by our board of directors prior to a person or group of affiliated or associated persons becoming an Acquiring Person). After a person or group becomes an Acquiring Person, each holder of a right (other than an Acquiring Person) will be able to exercise the right at the current exercise price of the right and receive the number of shares of common stock having a market value of two times the exercise price of the right, or, depending upon the circumstances in which the rights became exercisable, the number of common shares of the acquiring company having a market value of two times the exercise price of the right. At no time do the rights have any voting power. We may redeem the rights for $0.001 per right at any time prior to a person or group acquiring 20% or more of the common stock. Under certain circumstances, our board of directors may exchange the rights for our common stock or reduce the 20% thresholds to not less than 10%. The rights will expire on December 26, 2016, unless extended or earlier redeemed or exchanged by us.

The rights trade automatically with shares of common stock. A holder of common stock may exercise the rights only under the circumstances described below. The rights are designed to protect the interests of our company and shareholders against coercive takeover tactics. The rights are also designed to encourage potential acquirors to negotiate with our board of directors before attempting a takeover and to increase the ability of our board of directors to negotiate terms of any proposed takeover that benefit our shareholders. The rights may, but are not intended to, deter takeover proposals that may be in the interests of our shareholders.

Shares of Series A Junior Participating Preferred Stock will rank junior to all other series of our preferred stock, including preferred stock offered under this prospectus, if our board of directors, in creating those series of preferred stock, provides that they will rank senior to the Series A Junior Participating Preferred Stock. If our shareholders purchase Series A Junior Participating Preferred Stock, we cannot repurchase the Series A Junior Participating Preferred Stock from shareholders who do not want to resell it. Subject to the rights of our senior securities, a holder of the Series A Junior Participating Preferred Stock will be entitled, for each share of Series A Junior Participating Preferred Stock owned, to:

- a quarterly dividend payment equal to the greater of (1) $1.00 per share or (2) 100 times the quarterly dividend declared per share of common stock, before any amounts are distributed to holders of common stock (if the dividend is not paid on the Series A Junior Participating Preferred Stock in one or more quarters, no dividend may be paid on common stock until all previously unpaid dividends on Series A Junior Participating Preferred Stock have been paid);

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a liquidation payment equal to the greater of (1) $100 per share plus all accrued and unpaid dividends or (2) 100 times the payment made per share of common stock, if we liquidate our company, before any amounts are distributed to holders of common stock;

- receive 100 times the amount received per share of common stock in the event of any merger, consolidation, statutory share exchange or other similar transaction; and

- 100 votes per share and will vote together with the common stock unless applicable law requires otherwise.

These rights of the Series A Junior Participating Preferred Stock are protected by customary antidilution provisions which automatically increase dividend, liquidation, merger and voting rights in proportion to increases in common stock resulting from stock dividends, stock splits and similar transactions. These rights are proportionately decreased in the event of decreases in common stock resulting from reverse stock splits and similar transactions.

The purchase price for each 1/100th of a share of Series A Junior Participating Preferred Stock is $100. We must adjust the purchase price if certain events occur, such as:

- if we pay stock dividends on the Series A Junior Participating Preferred Stock or split the Series A Junior Participating Preferred Stock; or

- if we issue warrants for shares of Series A Junior Participating Preferred Stock to holders of Series A Junior Participating Preferred Stock or other securities that could be converted into shares of Series A Junior Participating Preferred Stock at less than the then current market price of the Series A Junior Participating Preferred Stock.

Classified Board; Removal of Directors; Number of Directors. Under our restated articles of incorporation, as amended, our board of directors is classified into three classes of directors. This means that only approximately one-third of our directors are elected at each annual meeting of shareholders and that it would take two years to replace a majority of the directors unless they are removed. Directors may be removed by shareholders only by a vote of holders of at least 75% of the voting power of the outstanding shares. Our restated articles of incorporation, as amended, also require a vote of holders of at least 75% of the voting power in order for the shareholders to change the number of directors, unless such change shall have been approved by a majority of our board of directors, in which case such change need be approved only by holders of a majority of the voting power of the shares present and entitled to vote at the shareholders' meeting.

Nomination Procedures. Our restated articles of incorporation, as amended, establish advance notice procedures with regard to the nomination by shareholders of candidates for election as directors. A shareholder of record must provide a written request of its candidate to our secretary not less than 75 days prior to the date fixed for the annual or special meeting of shareholders, which notice must include the written consent of such candidate to serve as a director.

Proposal Procedures. Our amended and restated by-laws establish procedures, including advance notice procedures, with regard to shareholder proposals to be considered at an annual meeting of shareholders. In general, a shareholder must submit a written notice of the proposal to our secretary at least 90 days before the first anniversary date of the preceding year's annual meeting of shareholders, which notice must include certain information and representations regarding the shareholder and the proposal.

Amendment of Bylaws. Our board of directors can adopt, amend or repeal our amended and restated by-laws, subject to limitations under the Minnesota Business Corporation Act. Under the Minnesota Business Corporation Act, our shareholders also have the power to change or repeal our amended and restated by-laws.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following discussion is a summary of the material U.S. federal income tax consequences relevant to the purchase, beneficial ownership and disposition of the debt securities, common stock and preferred stock offered by this prospectus. This summary is based on the U.S. Internal Revenue Code of 1986, as amended, current or proposed Treasury regulations promulgated thereunder ("Treasury Regulations"), administrative pronouncements of the U.S. Internal Revenue Service ("IRS") and judicial decisions, all as currently in effect and all of which are subject to change and to different interpretations. Changes to any of the foregoing authorities could apply on a retroactive basis, and could affect the U.S. federal income tax consequences described below. We will not seek a ruling from the IRS with respect to the matters discussed in this section and we cannot assure you that the IRS will not challenge one or more of the tax consequences described below.

This summary does not address all of the U.S. federal income tax considerations that may be relevant to a particular investor's circumstances, and does not discuss any aspect of U.S. federal tax law other than income taxation or any state, local or non-U.S. tax consequences of the purchase, ownership and disposition of the debt securities, common stock and preferred stock. This summary addresses only debt securities purchased at initial issuance and shares of common or preferred stock held as capital assets within the meaning of the Code (generally, property held for investment) and does not address U.S. federal income tax considerations applicable to investors that may be subject to special tax rules, such as:

- securities dealers or brokers, or traders in securities electing mark-to-market treatment;
- banks, thrifts, or other financial institutions;
- insurance companies;
- regulated investment companies or real estate investment trusts;
- tax-exempt organizations;
- retirement plans;
- persons holding our debt securities or shares, as applicable, as part of a "straddle," "hedge," "synthetic security" or "conversion transaction" for U.S. federal income tax purposes, or as part of some other integrated investment;
- partnerships or other pass-through entities;
- persons subject to the alternative minimum tax;
- certain former citizens or residents of the United States;
- foreign corporations that are classified as "passive foreign investment companies" or "controlled foreign corporations" for U.S. federal income tax purposes; or
- "U.S. Holders" (as defined below) whose functional currency is not the U.S. dollar.

In addition, with respect to a particular offering of debt securities or shares of common or preferred stock, the discussion below must be read with the discussion of material U.S. federal income tax consequences that may

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appear in the applicable prospectus supplement for that offering. When we use the term "holder" in this section, we are referring to a beneficial holder of the debt securities, common stock or preferred stock.

As used herein, a "U.S. Holder" is a beneficial owner of debt securities or shares of common or preferred stock, as the case may be, that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation (or any other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate whose income is subject to U.S. federal income tax regardless of its source, or (iv) a trust if (A) a United States court has the authority to exercise primary supervision over the administration of the trust and one or more U.S. persons (as defined under the Code) are authorized to control all substantial decisions of the trust or (B) it has a valid election in place to be treated as a U.S. person. An individual may, subject to certain exceptions, be deemed to be a resident of the United States by reason of being present in the United States for at least 31 days in the calendar year and for an aggregate of at least 183 days during a three-year period ending in the current calendar year (counting for such purposes all of the days present in the current year, one-third of the days present in the immediately preceding year and one-sixth of the days present in the second preceding year).

A "Non-U.S. Holder" is any beneficial owner of a debt security or shares of common or preferred stock, as the case may be, that, for U.S. federal income tax purposes, is not a U.S. Holder and that is not a partnership (or other entity treated as a partnership for U.S. federal income tax purposes).

If a partnership (or other entity treated as a partnership for U.S. federal income tax purposes) holds debt securities or shares of common or preferred stock, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. A partnership holding debt securities or shares of common or preferred stock, and partners in such a partnership, should consult their own tax advisors with regard to the U.S. federal income tax consequences of the purchase, ownership and disposition of the debt securities or shares of common or preferred stock by the partnership.

THE DISCUSSION OF THE MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE DEBT SECURITIES, COMMON STOCK AND PREFERRED STOCK IS NOT INTENDED TO BE, NOR SHOULD IT BE CONSTRUED TO BE, LEGAL OR TAX ADVICE TO ANY PARTICULAR PERSON. ACCORDINGLY, ALL PROSPECTIVE INVESTORS ARE URGED TO CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE U.S. FEDERAL, STATE AND LOCAL AND NON-U.S. TAX CONSEQUENCES RELATING TO THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE DEBT SECURITIES, COMMON STOCK OR PREFERRED STOCK BASED ON THEIR PARTICULAR CIRCUMSTANCES.

U.S. Federal Income Taxation of U.S. Holders

Debt Securities

Payments of Interest. Except as set forth below, interest on debt securities generally will be taxable to a U.S. Holder as ordinary income from domestic sources at the time that such interest is paid or accrued in accordance with the U.S. Holder's regular method of accounting for U.S. federal income tax purposes.

Original Issue Discount. Special tax accounting rules apply to debt securities issued with "original issue discount" ("OID") for U.S. federal income tax purposes ("OID debt securities"). In general, debt securities will be treated as issued with OID if the "issue price" of the debt securities is less than their "stated redemption price at maturity" unless the amount of such difference is de minimis (less than 0.25% of the stated redemption price at maturity multiplied by the number of complete years to maturity). Regardless of the regular method of accounting used by a U.S. Holder for U.S. federal income tax purposes, OID generally must be accrued into gross income on a constant yield basis, in advance of the

receipt of some or all of the cash attributable to such OID.

The “issue price” of debt securities will be the initial offering price to the public at which a substantial amount of the debt securities is sold for cash (ignoring sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The “stated redemption price at maturity” of debt securities is the sum of all payments to be made on the debt securities other than “qualified stated interest” payments. A “qualified stated interest” payment is stated interest that is unconditionally payable at least annually at a single fixed rate (appropriately taking into account the length of the interval between payments).

For OID debt securities having a term of more than one year, the amount of OID includible in gross income by a U.S. Holder of the OID debt securities is the sum of the “daily portions” of OID with respect to the OID debt securities for each day during the taxable year in which such U.S. Holder held the OID debt securities. The daily portion is determined by allocating to each day in any “accrual period” a pro rata portion of the OID allocable to such accrual period.

The amount of OID allocable to any accrual period is generally equal to the excess (if any) of (i) the product of the “adjusted issue price” of the OID debt securities at the beginning of such accrual period and the yield to maturity of the OID debt securities, as determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period, over (ii) the sum of any qualified stated interest payments allocable to the accrual period. For this purpose, accrual periods may be of any length and may vary in length over the term of the OID debt securities provided that each accrual period is no longer than one year and each scheduled payment of principal or interest occurs at the beginning or the end of an accrual period.

The adjusted issue price of OID debt securities at the start of any accrual period is equal to the issue price, increased by the accrued OID for each prior accrual period, and reduced by any prior payments with respect to the OID debt securities that were not qualified stated interest payments. The following rules apply to determine the amount of OID allocable to an accrual period:

- if an interval between payments of qualified stated interest contains more than one accrual period, the amount of qualified stated interest payable at the end of the interval is allocated on a pro rata basis to each accrual period in the interval and the adjusted issue price at the beginning of each accrual period in the interval must be increased by the amount of any qualified stated interest that has accrued prior to the beginning of the first day of the accrual period but is not payable until the end of the interval;

- if the accrual period is the final accrual period, the amount of OID allocable to the final accrual period is the difference between the amount payable at maturity (other than a payment of qualified stated interest) and the adjusted issue price of the debt security at the beginning of the final accrual period; and

- if all accrual periods are of equal length, except for an initial shorter accrual period or an initial and a final shorter accrual period, the amount of OID allocable to the initial accrual period may be computed under any reasonable method.

Under the constant yield method for accruing OID, a U.S. Holder generally will have to include in gross income increasingly greater amounts of OID in successive accrual periods.

Debt securities may contain provisions allowing the debt securities to be redeemed prior to their stated maturity date at our option or at the option of holders. For purposes of determining yield and maturity, debt securities that may be redeemed prior to their stated maturity date at the option of the issuer generally will be treated from the time of issuance as having a maturity date for U.S. federal income tax purposes on such

redemption date if such redemption would result in a lower yield to maturity. Conversely, debt securities that may be redeemed prior to their stated maturity date at the option of the holder generally will be treated from the time of issuance as having a maturity date for U.S. federal income tax purposes on such redemption date if such redemption would result in a higher yield to maturity. If the exercise of such an option does not occur, contrary to the assumptions made as of the issue date, then solely for purposes of the accrual of OID, the debt securities will be treated as reissued on the date of the change in circumstances for an amount equal to their adjusted issue price.

We are required to report to the IRS the amount of OID accrued in respect of OID debt securities held by persons other than exempt holders.

Short-Term Debt Securities. In the case of debt securities that have a fixed maturity of one year or less ("short-term debt securities"), all payments, including all payments of stated interest, will be included in the stated redemption price at maturity. The short-term debt securities will be treated for U.S. federal income tax purposes as having been issued with OID in the amount of the difference between their issue price and stated redemption price at maturity (unless the U.S. Holder elects to compute OID using tax basis instead of issue price). In general, U.S. Holders that use the accrual method of accounting for U.S. federal income tax purposes and certain other U.S. Holders are required to accrue OID in respect of short-term debt securities into gross income either on a straight-line basis or, if a U.S. Holder so elects, on a constant yield basis using daily compounding. U.S. Holders that are individuals and certain other U.S. Holders that use the cash method of accounting for U.S. federal income tax purposes are not required to accrue OID on short-term debt securities in advance of the receipt of payment unless they elect to do so. If such a U.S. Holder does not elect to accrue OID on short-term debt securities into gross income, then gain subsequently recognized upon the sale, retirement or other disposition of the short-term debt securities generally will be treated as ordinary interest income to the extent of the OID that has accrued through the date of such disposition. Furthermore, a non-electing U.S. Holder of short-term debt securities may be required to defer deductions for a portion of the U.S. Holder's interest expense with respect to any indebtedness incurred or maintained to purchase or carry the short-term debt securities.

Variable Rate Debt Securities. Treasury regulations prescribe special rules for "variable rate debt instruments" that provide for the payment of interest based on certain floating or objective rates. In general, debt securities will qualify as variable rate debt instruments ("variable rate debt securities") if (i) the issue price of the debt securities does not exceed the total non-contingent principal payments due in respect of the debt securities by more than an amount equal to the lesser of (A) 0.015 multiplied by the product of the total non-contingent principal payments and the number of complete years to maturity from the issue date or (B) 15% of the total non-contingent principal payments, and (ii) the debt securities provide for stated interest, paid or compounded at least annually, at "current values" of (A) one or more "qualified floating rates," (B) a single fixed rate and one or more qualified floating rates, (C) a single "objective rate," or (D) a single fixed rate and a single objective rate that is a "qualified inverse floating rate." A current value of a rate is the value of the rate on any date that is no earlier than three months prior to the first day on which that value is in effect and no later than one year following that first day.

A "qualified floating rate" is any variable rate where variations in the value of such rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the variable rate debt securities are denominated. Although a multiple of a qualified floating rate generally will not itself constitute a qualified floating rate, a variable rate equal to the product of a qualified floating rate and a fixed multiple that is greater than 0.65 but not more than 1.35 can constitute a qualified floating rate. A variable rate equal to the product of a qualified floating rate and a fixed multiple that is greater than 0.65 but not more than 1.35, increased or decreased by a fixed rate, will also constitute a qualified floating rate. In addition, two or more qualified floating rates that can reasonably be expected to have approximately the same values throughout the term of the variable rate debt securities (e.g., two or more qualified floating rates with values within 25 basis points of each other as determined on the issue date) will be treated as a single qualified floating rate. Notwithstanding the foregoing, a variable rate that would otherwise constitute a qualified floating rate but which

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is subject to one or more restrictions such as a maximum stated interest rate (i.e., a cap), a minimum stated interest rate (i.e., a floor) or a restriction on the amount of increase or decrease in the stated interest (i.e., a governor) may, under certain circumstances, fail to be treated as a qualified floating rate unless such restrictions are fixed throughout the term of the variable rate debt securities or are reasonably expected to not have a significant effect on the yield of the variable rate debt securities.

An "objective rate" is a rate that is not itself a qualified floating rate but which is determined using a single fixed formula and that is based on objective financial or economic information. A rate will not qualify as an objective rate if it is based on information that is within the control of the issuer (or a related party) or that is unique to the circumstances of the issuer (or a related party), such as dividends, profits, or the value of the issuer's stock (although a rate does not fail to be an objective rate merely because it is based on the credit quality of the issuer). An objective rate is a "qualified inverse floating rate" if the rate is equal to a fixed rate minus a qualified floating rate, as long as variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate. The Treasury regulations also provide that if debt securities provide for stated interest at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate and if the variable rate on the issue date is intended to approximate the fixed rate (e.g., the value of the variable rate on the issue date does not differ from the value of the fixed rate by more than 0.25%), then the fixed rate and the variable rate together will constitute either a single qualified floating rate or objective rate, as the case may be.

If variable rate debt securities provide for stated interest at either a single qualified floating rate or a single objective rate throughout their term, and such interest is unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually, then all stated interest on such variable rate debt securities will constitute qualified stated interest that is included in gross income by U.S. Holders as received or accrued in accordance with their regular methods of accounting for U.S. federal income tax purposes. Thus, such variable rate debt securities generally will not be treated as having been issued with OID unless the variable rate securities are sold at a discount from their stated principal amount, subject to a de minimis exception. In general, the amount of qualified stated interest and OID, if any, that accrues during an accrual period on such variable rate debt securities is determined under the rules described above by assuming that the variable rate is a fixed rate equal to (i) in the case of a qualified floating rate or qualified inverse floating rate, the value as of the issue date of the qualified floating rate or qualified inverse floating rate, or (ii) in the case of an objective rate (other than a qualified inverse floating rate), a fixed rate that reflects the yield that is reasonably expected for the variable rate debt securities. The qualified stated interest allocable to an accrual period is increased (or decreased) if the interest actually paid during an accrual period exceeds (or is less than) the interest that was accrued under the foregoing approach.

For other variable rate debt securities, the timing and amount of OID and qualified stated interest will be determined by converting the variable rate debt securities into "equivalent fixed rate debt instruments." The conversion of the variable rate debt securities into equivalent fixed rate debt instruments generally involves substituting for any qualified floating rate or qualified inverse floating rate a fixed rate equal to the value of the qualified floating rate or qualified inverse floating rate, as the case may be, as of the issue date, or substituting for any objective rate (other than a qualified inverse floating rate) a fixed rate that reflects the yield that is reasonably expected for the variable rate debt securities. In the case of variable rate debt securities that provide for stated interest at a fixed rate in addition to either one or more qualified floating rates or a qualified inverse floating rate, the fixed rate is initially converted into a qualified floating rate (or a qualified inverse floating rate, if the variable rate debt securities provide for a qualified inverse floating rate). Under such circumstances, the qualified floating rate or qualified inverse floating rate that replaces the fixed rate must be such that the fair market value of the variable rate debt securities as of their issue date is approximately the same as the fair market value of an otherwise identical debt instrument that provides for either the qualified floating rate or qualified inverse floating rate rather than the fixed rate. Subsequent to converting the fixed rate into either a qualified floating rate or a

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qualified inverse rate, the variable rate debt securities are then converted into equivalent fixed rate debt instruments in the manner described above.

Once the variable rate debt securities are converted into equivalent fixed rate debt instruments pursuant to the foregoing rules, the timing and amount of OID and qualified stated interest, if any, are determined for the equivalent fixed rate debt instruments by applying the general OID rules to the equivalent fixed rate debt instruments. A U.S. Holder of such variable rate debt securities will account for OID and qualified stated interest as if the U.S. Holder held the equivalent fixed rate debt instruments. For each accrual period, appropriate adjustments will be made to the amount of qualified stated interest or OID assumed to have been accrued or paid with respect to the equivalent fixed rate debt instruments in the event that such amounts differ from the actual amount of interest accrued or paid on the variable rate debt securities during the accrual period.

Market Discount. If a U.S. Holder purchases debt securities (other than debt securities purchased at original issue at or above the issue price and other than short-term debt securities) for an amount that is less than their stated redemption price at maturity or, in the case of OID debt securities, their revised issue price, the amount of the difference will be treated as "market discount" for U.S. federal income tax purposes, unless that difference is less than a specified de minimis amount. Under the market discount rules, a U.S. Holder generally will be required to treat any payments received in respect of the debt securities, other than payments of qualified stated interest, and any gain derived from the sale, retirement or other disposition of the debt securities, as ordinary income to the extent of the market discount that has accrued on the debt securities (on a ratable basis or, at the election of the U.S. Holder, a constant yield basis) but has not previously been included in gross income by the U.S. Holder. In addition, a U.S. Holder may be required to defer until the maturity of the debt securities, or their earlier disposition in a taxable transaction, the deduction of all or a portion of any interest expense incurred on indebtedness incurred to purchase or carry such debt securities.

A U.S. Holder may elect to currently include market discount in gross income as it accrues, under either a ratable or constant yield method, in which case the rules described above regarding characterization of payments and gain as ordinary income and the deferral of interest deductions will not apply. An election to currently include market discount in gross income, once made, applies to all market discount obligations acquired by the U.S. Holder on or after the first taxable year to which the election applies and may not be revoked without the consent of the IRS. Prospective investors should consult their own tax advisors before making this election.

Acquisition Premium. If a U.S. Holder acquires OID debt securities for an amount greater than their adjusted issue price but less than the sum of all amounts (other than qualified stated interest) payable with respect to the OID debt securities after the date of acquisition, the OID debt securities will be treated as acquired at an acquisition premium. For OID debt securities acquired with acquisition premium, the amount of OID that the U.S. Holder must include in gross income with respect to the OID debt securities for any taxable year will be reduced by the portion of acquisition premium properly allocable to such taxable year.

Amortizable Bond Premium. If a U.S. Holder purchases debt securities for an amount in excess of the sum of all amounts payable on the debt securities after the purchase date other than payments of qualified stated interest, the U.S. Holder will be considered to have purchased the debt securities at a "premium" for U.S. federal income tax purposes. In such case, the U.S. Holder generally may elect to amortize the premium over the remaining term of the debt securities, on a constant yield method, as an offset to interest includible in gross income with respect to the debt securities, and the U.S. Holder would not be required to include OID, if any, in gross income in respect of the debt securities. In the case of debt securities that provide for alternative payment schedules, the amount of premium generally is determined by assuming that a holder will exercise or not exercise options in a manner that maximizes the holder's yield, and that the issuer will exercise or not exercise options in a manner that minimizes the holder's yield. Any election to amortize premium would apply to all debt securities (other than debt securities the interest on which is excludable from gross income) held or subsequently acquired by a U.S. Holder on or after the first day of the first taxable year to which the election applies and is irrevocable

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without the consent of the IRS. Prospective investors should consult their own tax advisors before making this election.

Election to Treat All Interest as OID. U.S. Holders may elect to treat all interest in respect of debt securities as OID and to calculate the amount includible in gross income for any taxable year under the constant yield method described above. For purposes of this election, interest includes stated interest, acquisition discount (the difference between an instrument's stated redemption price at maturity and a holder's basis), OID, de minimis OID, market discount, de minimis market discount, and unstated interest, as adjusted by any amortizable bond premium or acquisition premium. If a U.S. Holder makes this election for debt securities with amortizable bond premium, the election is treated as an election under the amortizable bond premium rules described above and the electing U.S. Holder will be required to amortize bond premium for all other debt instruments with amortizable bond premium held or subsequently acquired by the U.S. Holder. The election to treat all interest as OID must be made for the taxable year in which the U.S. Holder acquires the debt securities, and the election may not be revoked without the consent of the IRS. Prospective investors should consult their own tax advisors before making this election.

Sale, Retirement or Other Taxable Disposition of Debt Securities. Upon the sale, retirement or other taxable disposition of debt securities, a U.S. Holder generally will recognize U.S. source gain or loss equal to the difference between the amount realized upon the sale, retirement or other taxable disposition (other than amounts representing accrued and unpaid qualified stated interest, which will be taxable as ordinary interest income to the extent not previously included in gross income) and the U.S. Holder's adjusted tax basis of the debt securities. In general, the U.S. Holder's adjusted tax basis of the debt securities will equal the U.S. Holder's cost for the debt securities, increased by all accrued OID or market discount previously included in gross income and reduced by any amortized premium and any cash payments previously received in respect of the debt securities other than qualified stated interest payments. Except as described above with respect to certain short-term debt securities, contingent payment debt securities and debt securities acquired at a market discount, and except with respect to gain or loss attributable to changes in exchange rates (as discussed below), such gain or loss generally will be capital gain or loss and will be long-term capital gain or loss if at the time of sale, retirement or other taxable disposition the debt securities have been held for more than one year. Under current U.S. federal income tax law, certain non-corporate U.S. Holders, including individuals, are eligible for preferential rates of U.S. federal income taxation in respect of long-term capital gains. The deductibility of capital losses is subject to limitations under the Code.

Common Stock and Preferred Stock

Distributions. A distribution paid by us in respect of common or preferred stock will constitute a dividend for U.S. federal income tax purposes to the extent the distribution is paid out of our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. The gross amount of any such dividend to a U.S. Holder will be included in the gross income of the U.S. Holder, as ordinary dividend income from U.S. sources. In general, distributions in excess of our current or accumulated earnings and profits will not be taxable to a U.S. Holder to the extent that such distributions to the U.S. Holder do not exceed the U.S. Holder's adjusted tax basis in the shares of common or preferred stock with respect to which the distribution is paid, but rather will reduce the U.S. Holder's adjusted tax basis in such common or preferred stock (but not below zero). To the extent that distributions exceed our current and accumulated earnings and profits as well as the U.S. Holder's adjusted tax basis in the common or preferred stock, such distributions generally will be taxable as capital gain realized in respect of the common or preferred stock.

Under current U.S. federal income tax law, dividends paid to certain non-corporate U.S. Holders, including individuals, generally will constitute qualified dividend income eligible for preferential rates of U.S. federal income tax, provided certain conditions and requirements are satisfied, such as minimum holding period requirements. The legislation providing for taxation of dividends at preferential rates is scheduled to expire on

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December 31, 2012, at which time, unless such legislation is extended or otherwise modified, dividends received by an individual will generally be taxed at ordinary income rates. If this legislation were extended, the preferential rates would continue to apply. U.S. Holders that are corporations may be eligible for a partial dividends-received deduction with respect to dividend distributions that are paid in respect of common or preferred stock, subject to certain conditions and requirements, such as minimum holding period requirements. There can be no assurance that we will have sufficient current or accumulated earnings and profits for distributions in respect of common or preferred stock to qualify as dividends for U.S. federal income tax purposes.

U.S. Holders should be aware that dividends exceeding certain thresholds in relation to such U.S. Holders' tax basis in the common or preferred stock could be characterized as "extraordinary dividends" (as defined in Section 1059 of the Code). Generally, a corporate U.S. Holder that receives an extraordinary dividend is required to reduce its tax basis in the common or preferred stock by the portion of such dividend that is not taxed because of the dividends received deduction, and is required to recognize taxable gain to the extent such portion of the dividend exceeds the U.S. Holder's tax basis in the common or preferred stock. U.S. Holders who are individuals and who receive an "extraordinary dividend" would be required to treat any losses on the sale of the common or preferred stock as long-term capital losses to the extent that the dividends received by them qualified for the reduced tax rate on qualified dividend income, as described above. Prospective investors in common or preferred stock should consult their own tax advisors with respect to the potential application of the "extraordinary dividend" rules to an investment in the common or preferred stock.

Sale or Other Taxable Dispositions of Common or Preferred Stock. In general, a U.S. Holder will recognize capital gain or loss upon the sale or other taxable disposition of common or preferred stock in an amount equal to the difference between the sum of the fair market value of any property and the amount of cash received in such disposition and such U.S. Holder's adjusted tax basis in the common or preferred stock at the time of the disposition. Any such capital gain will be long-term capital gain if the common or preferred stock has been held by the U.S. Holder for more than one year. Under current U.S. federal income tax law, certain non-corporate U.S. Holders (including individuals) are eligible for preferential rates of U.S. federal income tax on long-term capital gains. The ability to utilize capital losses is subject to limitations under the Code.

Redemptions of Common Stock or Preferred Stock. A redemption of shares of common or preferred stock generally will be treated under Section 302 of the Code as a distribution unless the redemption satisfies one of the tests set forth in Section 302(b) of the Code and is therefore treated as a sale or exchange of the common or preferred stock that is redeemed. If a redemption of shares of common or preferred stock is treated as a sale or exchange, the redemption will be taxable as described under "—Sale or Other Taxable Dispositions of Common or Preferred Stock" above, except that an amount received in respect of declared but unpaid dividends generally will be taxable as a dividend if we have sufficient current or accumulated earnings and profits, as described above under "—Distributions."

A redemption will be treated as a sale or exchange if it (i) results in a complete termination of a U.S. Holder's interest in us, (ii) is "substantially disproportionate" with respect to a U.S. Holder, or (iii) is not "essentially equivalent to a dividend" with respect to a U.S. Holder, all within the meaning of Section 302(b) of the Code. In determining whether any of these tests has been met, shares of common or preferred stock deemed owned by a U.S. Holder by reason of certain constructive ownership rules, as well as shares actually owned by such U.S. Holder, must be taken into account. A redemption of shares of common and preferred stock held by a U.S. Holder generally will qualify for sale or exchange treatment if the U.S. Holder does not own (actually or constructively) any shares of any classes of our common or preferred stock following the redemption, or if the U.S. Holder owns (actually or constructively) only an insubstantial percentage of our common or preferred stock, the redemption has the effect of decreasing such ownership percentage and the U.S. Holder does not participate in our control or management. However, the determination as to whether any of the tests of Section 302(b) of the Code will be satisfied with respect to any particular U.S. Holder depends upon the facts and circumstances at the time of the redemption.

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If a redemption of shares of common or preferred stock is treated as a distribution, the entire amount received will be taxable as described under the caption "—Distributions" above. U.S. Holders should consult their tax advisors regarding the effect of such transaction on the tax basis of any remaining shares of common or preferred stock held by such holder immediately after the redemption.

Prospective investors should consult their own tax advisors for purposes of determining the tax consequences resulting from redemption of shares of common or preferred stock in their particular circumstances.

Terms of Preferred Stock. The U.S. federal income tax consequences of the purchase, ownership or disposition of preferred stock will depend on a number of factors, including the specific terms of the preferred stock (such as any put or call option or redemption provisions, any conversion or exchange features and the price at which the preferred stock is sold). Prospective investors should carefully examine the applicable prospectus supplement and should consult their own tax advisors, regarding the material U.S. federal income tax consequences, if any, of the ownership and disposition of preferred stock based upon their particular circumstances and the terms of the preferred stock.

Medicare Tax

For taxable years beginning after December 31, 2012, a U.S. Holder that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, will be subject to a 3.8% tax on the lesser of (1) the U.S. Holder's "net investment income" for the relevant taxable year and (2) the excess of the U.S. Holder's modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals will be between $125,000 and $250,000, depending on the individual's circumstances). A U.S. Holder's net investment income will generally include its interest and dividend income and net gain from the disposition of the debt securities and common and preferred stock, unless such income and net gain is derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). Net investment income may, however, be reduced by properly allocable deductions to such income. U.S. Holders that are individuals, estates or trusts are urged to consult their tax advisors regarding the applicability of the Medicare tax to their income and gains from the debt securities, common stock and preferred stock.

U.S. Federal Income Taxation of Non-U.S. Holders

Debt Securities

Payments of Interest (including OID). Subject to the discussion below concerning backup withholding payments of interest (including OID, if any) on the debt securities by us or our paying agent to any Non-U.S. Holder will be exempt from U.S. federal income tax (including withholding tax), provided that:

- the Non-U.S. Holder does not own, actually or constructively, 10% or more of the total combined voting power of all classes of our stock entitled to vote;
- the Non-U.S. Holder is not a controlled foreign corporation related, directly or indirectly, to us through stock ownership or a bank receiving interest described in Section 881(c)(3)(A) of the Code;
- the interest is not effectively connected with the conduct by the Non-U.S. Holder of a trade or business within the United States (or, if a tax treaty applies, is not attributable to a permanent establishment maintained by the Non-U.S. Holder in the United States);

- the interest is not considered contingent interest under Section 871(h)(4)(A) of the Code and the Treasury regulations thereunder; and

- the certification requirement has been fulfilled with respect to the beneficial owner, as discussed below.

The certification requirement referred to above will be fulfilled if (i) the beneficial owner of the debt securities certifies on IRS Form W-8BEN or other successor form, under penalties of perjury, that such beneficial owner is not a U.S. person and provides its name and address, and (ii) the beneficial owner files IRS Form W-8BEN or other successor form with the paying agent, or in the case of debt securities held on behalf of the beneficial owner by a securities clearing organization, bank, or other financial institution holding customers' securities in the ordinary course of it trade or business, such financial institution files with the paying agent a statement that it has received the IRS Form W-8EBN or other successor form from the beneficial owner and furnishes the paying agent with a copy. With respect to debt securities held by a foreign partnership, unless the foreign partnership has entered into a withholding agreement with the IRS, the foreign partnership generally will be required to provide an IRS Form W-8IMY or other successor form and to associate with such form an appropriate certification or other appropriate documentation from each partner. Prospective investors, including foreign partnerships and their partners, should consult their tax advisors regarding additional reporting possible requirements.

If the requirements are not satisfied, a 30% withholding tax will apply to the gross amount of interest (including OID, if any) on the debt securities that is paid to a Non-U.S. Holder, unless either: (a) an applicable income tax treaty reduces or eliminates such tax, and the Non-U.S. Holder claims the benefit of that treaty by providing a properly completed and duly executed IRS Form W-8BEN or other successor form establishing qualification for benefits under the treaty, or (b) interest (including OID, if any) on the debt securities is effectively connected with the Non-U.S. Holder's conduct of a trade or business in the United States and the Non-U.S. Holder provides an appropriate statement to that effect on a properly completed and duly executed Form IRS Form W-8ECI or W-8BEN, as applicable, or other successor form. If a Non-U.S. Holder of debt securities is engaged in the conduct of a trade or business in the United States, and interest (including OID, if any) on the debt securities is effectively connected with the conduct of such trade or business (and, if required by an applicable tax treaty, is attributable to a permanent establishment maintained by the Non-U.S. Holder in the United States), the Non-U.S. Holder, although exempt from the withholding tax discussed in the preceding sentence, will be subject to regular U.S. federal income tax on its effectively connected income, generally in the same manner as U.S. Holder (or in a manner specified by an applicable income tax treaty). See "—U.S. Federal Income Taxation of U.S. Holders" above. In addition, a Non-U.S. Holder that is a foreign corporation may be subject to a 30% branch profits tax (unless reduced or eliminated by an applicable tax treaty) on its earnings and profits for the taxable year attributable to its effectively connected income, subject to certain adjustments.

Sale, Retirement, or Other Taxable Disposition of Debt Securities. A Non-U.S. Holder generally will not be subject to U.S. federal income tax on gain realized on the sale, retirement or other taxable disposition of the debt securities, unless:

- the Non-U.S. Holder is an individual who is present in the U.S. for 183 days or more in the taxable year of the disposition and certain other conditions are met; or

- the gain is effectively connected with the Non-U.S. Holder's conduct of a trade or business in the United States (and, if required by an applicable tax treaty, is attributable to a permanent establishment maintained by the Non-U.S. Holder in the United States).

If the first exception applies, the Non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30% on the amount by which its U.S.-source capital gains exceed its U.S.-source capital losses. If the

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second exception applies, the non-U.S. holder will generally be subject to U.S. federal income tax on the net gain derived from the sale or other disposition of the debt securities in the same manner as a U.S. Holder. See "—U.S. Federal Income Taxation of U.S. Holders" above. In addition, a Non-U.S. Holder that is a foreign corporation may be subject to a 30% branch profits tax (unless reduced or eliminated by an applicable tax treaty) on its earnings and profits for the taxable year attributable to its effectively connected income, subject to certain adjustments.

Common Stock and Preferred Stock

Distributions. Except as described below, dividends paid to a Non-U.S. Holder in respect of common or preferred stock generally will be subject to U.S. federal withholding tax at a 30% rate, or such lower rate as may be specified by an applicable tax treaty. In order to claim the benefits of an applicable tax treaty, a Non-U.S. Holder will be required to satisfy applicable certification (for example, IRS Form W-8BEN or other applicable or successor form) and other requirements prior to the distribution date. Non-U.S. Holders should consult their own tax advisors regarding their entitlement to benefits under an applicable income tax treaty and the requirements for claiming any such benefits.

Dividends paid to a Non-U.S. Holder that are effectively connected with its conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, are attributable to a permanent establishment maintained by the Non-U.S. Holder in the United States) generally are exempt from the 30% U.S. federal withholding tax. Instead, any such dividends generally will be subject to U.S. federal income tax in the same manner as if the Non-U.S. Holder were a U.S. Holder, as described above. See "—U.S. Federal Income Taxation of U.S. Holders" above. Non-U.S. Holders will be required to comply with certification (for example, IRS Form W-8ECI or other applicable or successor form) and other requirements in order for effectively connected income to be exempt from the 30% U.S. federal withholding tax. A corporate Non-U.S. Holder also may be subject to an additional "branch profits tax" at a 30% rate (or such lower rate as may be specified by an applicable tax treaty) with respect to any effectively connected dividends, subject to certain adjustments.

Sale or Other Taxable Disposition of Common or Preferred Stock. A Non-U.S. Holder generally will (or will not) be subject to U.S. federal income tax on gain recognized on a sale or other taxable disposition of common or preferred stock under the same principles discussed in "—Sale, Retirement, or Other Taxable Disposition of Debt Securities" above as long as we are not and have not been a United States real property holding corporation for U.S. federal income tax purposes at any time during the five year period (or shorter period in some situations) ending on the date of the disposition. We have not been, are not and do not anticipate becoming a United States real property holding corporation for U.S. federal income tax purposes.

As discussed above under "—U.S. Federal Income Taxation of U.S. Holders—Common Stock and Preferred Stock—Redemptions of Common Stock or Preferred Stock," the proceeds received from a redemption of shares of common or preferred stock may be treated as a distribution in certain circumstances, in which case, the discussion above under "—Distributions" would be applicable.

Terms of Preferred Stock. The U.S. federal income tax consequences of the purchase, ownership or disposition of preferred stock will depend on a number of factors, including the specific terms of the preferred stock (such as any put or call option or redemption provisions, any conversion or exchange features and the price at which the preferred stock is sold). Prospective investors should carefully examine the applicable prospectus supplement and should consult their own tax advisors, regarding the material U.S. federal income tax consequences, if any, of the ownership and disposition of preferred stock based upon their particular circumstances and the terms of the preferred stock.

Backup Withholding and Information Reporting

U.S. Holders. In general, a U.S. Holder (other than exempt holders) will be subject to information reporting requirements with respect to (i) payments of principal, premium (if any), and interest (including OID) paid in respect of, and the proceeds from a sale, redemption or other disposition of the debt securities, and (ii) dividends and other taxable distributions paid in respect of, and the proceeds from a sale, redemption or other disposition of, the common or preferred stock. In addition, such a U.S. Holder may be subject to backup withholding on such payments if the U.S. Holder (i) fails to provide an accurate taxpayer identification number to the payor; (ii) has been notified by the IRS of a failure to report all interest or dividends required to be shown on its U.S. federal income tax returns; or (iii) in certain circumstances, fails to comply with applicable certification requirements.

Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a U.S. Holder's U.S. federal income tax liability provided the required information is furnished to the IRS on a timely basis. U.S. Holders should consult their tax advisors regarding the application of information reporting and backup withholding rules in their particular situations, the availability of an exemption therefrom, and the procedure for obtaining such an exemption, if applicable.

Non-U.S. Holders. In general, we or our paying agent must report to the IRS and to a Non-U.S. Holder the amount of interest (including OID, if any) on the debt securities, and dividends on the common or preferred stock, paid to the Non-U.S. Holder and the amount of U.S. federal withholding tax, if any, deducted from those payments. Copies of the information returns reporting such interest and dividend payments and any associated U.S. federal withholding tax also may be made available to the tax authorities in the country in which the Non-U.S. Holder resides under the provisions of an applicable tax treaty. A Non-U.S. Holder generally will not be subject to backup withholding with respect to payments that we make on the debt securities or shares of common or preferred stock provided that we or our paying agent does not have actual knowledge or reason to know that the Non-U.S. Holder is a U.S. person (as defined under the Code), and we or our paying agent has received from the Non-U.S. Holder an appropriate certification of non-U.S. status (i.e., IRS Form W-8BEN or other applicable IRS Form W-8). Information reporting and, depending on the circumstances, backup withholding will apply to the payment of the proceeds of a sale of debt securities or shares of common or preferred stock, as the case may be, that is effected within the United States or effected outside the United States through certain U.S.-related financial intermediaries, unless the Non-U.S. Holder certifies under penalty of perjury as to its non-U.S. status, and the payor does not have actual knowledge or reason to know that the beneficial owner is a U.S. person, or the Non-U.S. Holder 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 U.S. federal income tax liability provided the required information is furnished to the IRS on a timely basis. Non-U.S. Holders of debt securities should consult their tax advisers regarding the application of information reporting and backup withholding in their particular situations, the availability of an exemption therefrom, and the procedure for obtaining an exemption, if applicable.

Legislation Affecting the Taxation of Debt Securities, Common Stock and Preferred Stock Held by or through Foreign Entities

Legislation was enacted in 2010, contained in Sections 1471 through 1474 of the Code, that will impose a 30% withholding tax on withholdable payments (as defined below) made to a foreign financial institution, unless such institution enters into an agreement with the Treasury to, among other things, collect and provide to it substantial information regarding such institution's United States financial account holders, including certain account holders that are foreign entities with United States owners. The legislation also generally imposes a 30% withholding tax on withholdable payments to a non-financial foreign entity unless such entity provides the paying agent with a certification that it does not have any substantial United States owners or a certification identifying

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the direct and indirect substantial United States owners of the entity. “Withholdable payments” include payments of interest (including OID) with respect to debt securities and distributions in respect of common or preferred stock from sources within the United States, as well as gross proceeds from the sale of any property of a type which can produce interest or distributions from sources within the United States, unless the payments of interest, distributions or gross proceeds are effectively connected with the conduct of a United States trade or business and taxed as such. As enacted, these withholding and reporting obligations generally apply to payments made after December 31, 2012 with respect to any debt securities other than debt securities outstanding on March 18, 2012 and with respect to common and preferred stock regardless of the stock’s issue date. Under proposed Treasury regulations, these withholding and reporting requirements with respect to interest and distributions will be delayed until January 1, 2014, and withholding on gross proceeds will be delayed until January 1, 2015. Further, withholding will not apply to debt securities outstanding on January 1, 2013, unless such debt securities undergo a significant modification after that date. The proposed Treasury regulations are proposed to be effective on the date of publication of the adoption of the regulations as final regulations. Investors are urged to consult their own tax advisors regarding the application of the legislation and proposed regulations to the debt securities.

PLAN OF DISTRIBUTION

We may sell the securities offered under this prospectus through agents, through underwriters or dealers or directly to one or more purchasers.

Underwriters, dealers and agents that participate in the distribution of the securities offered under this prospectus may be underwriters as defined in the Securities Act of 1933 and any discounts or commissions received by them from us and any profit on the resale of the offered securities by them may be treated as underwriting discounts and commissions under the Securities Act of 1933. Any underwriters or agents will be identified and their compensation, including any underwriting discount or commission, will be described in the applicable prospectus supplement. The applicable prospectus supplement will also describe other terms of the offering, including the initial public offering price, any discounts or concessions allowed or reallowed or paid to dealers and any securities exchanges on which the offered securities may be listed.

The distribution of the securities offered under this prospectus may occur from time to time in one or more transactions at a fixed price or prices, which may be changed, at market prices prevailing at the time of sale, at prices related to the prevailing market prices or at negotiated prices.

We may determine the price or other terms of the securities offered under this prospectus by use of an electronic auction. We will describe in the applicable prospectus supplement how any auction will be conducted to determine the price or any other terms of the securities, how potential investors may participate in the auction and, where applicable, the nature of the underwriters’ obligations with respect to the auction.

If the applicable prospectus supplement indicates, we will authorize dealers or our agents to solicit offers by institutions to purchase offered securities from us under contracts that provide for payment and delivery on a future date. We must approve all institutions, but they may include, among others:

- commercial and savings banks;
- insurance companies;
- pension funds;
- investment companies; and

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- educational and charitable institutions.

The institutional purchaser's obligations under the contract are only subject to the condition that the purchase of the offered securities at the time of delivery is allowed by the laws that govern the purchaser. The dealers and our agents will not be responsible for the validity or performance of the contracts.

We may have agreements with the underwriters, dealers and agents to indemnify them against certain civil liabilities, including liabilities under the Securities Act of 1933, or to contribute with respect to payments which the underwriters, dealers or agents may be required to make as a result of those certain civil liabilities.

In connection with any offering of the securities offered under this prospectus, underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of such securities or any other securities the prices of which may be used to determine payments on such securities. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by underwriters of a greater number of securities than the underwriters are required to purchase in the offering. Stabilizing transactions consist of certain bids or purchases made for the purpose of preventing or retarding a decline in the market price of the securities while the offering is in progress.

Underwriters may also impose a penalty bid in any offering of securities offered under this prospectus through a syndicate of underwriters. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the other underwriters have repurchased securities sold by or for the account of such underwriter in stabilizing or short covering transactions.

These activities by underwriters may stabilize, maintain or otherwise affect the market price of the securities offered under this prospectus. As a result, the price of such securities may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by underwriters at any time. These transactions may be effected in the over-the-counter market or otherwise.

LEGAL OPINIONS

Faegre Baker Daniels LLP, Minneapolis, Minnesota, will issue an opinion about the legality of the securities offered by this prospectus. Any underwriters will be represented by their own legal counsel.

EXPERTS

The consolidated financial statements and schedule of Tennant as of December 31, 2011 and 2010, and for each of the years in the three-year period ended December 31, 2011, and management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2011, have been incorporated by reference herein in reliance upon the reports of KPMG LLP, independent registered public accounting firm, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

The following is an estimate, subject to future contingencies, of the expenses to be incurred by the registrant in connection with the issuance and distribution of the securities being registered:

Registration Fee	$	(1)
Legal Fees and Expenses*		100,000
Trustee Fees and Expenses*		10,000
Accounting Fees and Expenses*		50,000
Blue Sky and Legal Investment Fees and Expenses*		10,000
Printing and Engraving Fees*		25,000
Rating Agency Fees*		200,000
Miscellaneous*		15,000
Total*	$	410,000

(1)The registrant is registering an indeterminate amount of securities under this Registration Statement and in accordance with Rules 456(b) and 457(r), the registrant is deferring payment of all of the registration fee.
*Estimated pursuant to instruction to Item 511 of Regulation S-K.

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS

The registrant is subject to Minnesota Statutes Chapter 302A, the Minnesota Business Corporation Act (the "Corporation Act"). Section 302A.521 of the Corporation Act provides in substance that, unless prohibited by its articles of incorporation or bylaws, a corporation must indemnify a person, including an officer or director, who is made or threatened to be made a party to a proceeding by reason of the former or present official capacity of the person against judgments, penalties, fines, including, without limitation, excise taxes assessed against the person with respect to an employee benefit plan, settlements, and reasonable expenses, including attorneys' fees and disbursements, incurred by such person in connection with the proceeding, if certain criteria are met. These criteria, all of which must be met by the person seeking indemnification, are (a) that such person has not been indemnified by another organization or employee benefit plan for the same judgments, penalties, fines, including, without limitation, excise taxes assessed against the person with respect to an employee benefit plan, settlements, and reasonable expenses, including attorneys' fees and disbursements, incurred by the person in connection with the proceeding with respect to the same acts or omissions; (b) that such person must have acted in good faith; (c) that no improper personal benefit was obtained by such person and such person satisfied certain statutory conflicts of interest provisions, if applicable; (d) that in the case of a criminal proceeding, such person had no reasonable cause to believe that the conduct was unlawful; and (e) that, in the case of acts or omissions occurring in such person's performance in an official capacity, such person must have acted in a manner such person reasonably believed was in the best interests of the corporation or, in certain limited circumstances, not opposed to the best interests of the corporation. In addition, Section 302A.521, Subdivision 3 requires payment by the registrant, upon written request, of reasonable expenses in advance of final disposition in certain instances. A decision as to

required indemnification is made by a majority of the disinterested board of directors present at a meeting at which a disinterested quorum is present, or by a designated committee of disinterested directors, by special legal counsel, by the disinterested shareholders, or by a court.

Pursuant to the terms of underwriting agreements executed in connection with offerings of securities pursuant to this Registration Statement, the directors and officers of the registrant will be indemnified against certain civil liabilities that they may incur under the Securities Act of 1933 in connection with this Registration Statement and the related prospectus and applicable prospectus supplement.

The registrant also maintains a director and officer insurance policy to cover the registrant, its directors and its officers against certain liabilities.

ITEM 16. EXHIBITS

The following Exhibits are filed as part of this Registration Statement:

1(a)	Form of Underwriting Agreement for Debt Securities.*
1(b)	Form of Underwriting Agreement for Preferred Stock.*
1(c)	Form of Underwriting Agreement for Common Stock.*
4(a)	Restated Articles of Incorporation of Tennant Company, as amended (incorporated by reference to Exhibit 3i to Tennant Company's Report on Form 10-Q for the quarterly period ended June 30, 2006 (SEC File No. 001-16191)).
4(b)	Certificate of Designation for Series A Junior Participating Preferred Stock (incorporated by reference to Exhibit 3.1 to Tennant Company's Annual Report on Form 10-K for the year ended December 31, 2006 (SEC File No. 001-16191)).
4(c)	Amended and Restated By-Laws (incorporated by reference to Exhibit 3(iii) to Tennant Company's Form 8-K dated December 14, 2010 (SEC File No. 001-16191)).
4(d)	Rights Agreement, dated as of November 10, 2006, between Tennant Company and Wells Fargo Bank, N.A., as Rights Agent (incorporated by reference to Exhibit 1 to Tennant Company's Form 8-A dated November 14, 2006 (SEC File No. 001-16191)).
4(e)	Form of Indenture (incorporated by reference to Exhibit 4(e) to Tennant Company's Registration Statement on Form S-3 dated July 30, 2009 (SEC File No. 333-160887)).
4(f)	Form of Note (incorporated by reference to Exhibit 4(f) to Tennant Company's Registration Statement on Form S-3 dated July 30, 2009 (SEC File No. 333-160887)).
4(g)	Form of Certificate of Designation of Preferred Stock.*
4(h)	Form of Preferred Stock Certificate.*
4(i)	Form of Deposit Agreement, including form of Depositary Receipt.*
4(j)	

	Form of Common Stock Certificate (incorporated by reference to Exhibit 4(e) to Tennant Company's Registration Statement on Form S-3 dated July 30, 2009 (SEC File No. 333-160887)).
5(a)	Opinion of Faegre Baker Daniels LLP.
12(a)	Computation of ratio of earnings to fixed charges.
23(a)	Consent of Faegre Baker Daniels (included as part of Exhibit 5(a)).
23(b)	Consent of Independent Registered Public Accounting Firm.

24(a)	Power of Attorney.
25	Statement of Eligibility of Trustee.**

* To be filed by amendment or as an exhibit to a document to be incorporated by reference herein in connection with an offering of securities.
** To be filed on Form T-1 pursuant to Section 305(b)(2) of the Trust Indenture Act of 1939, as amended.

ITEM 17. UNDERTAKINGS

The undersigned registrant hereby undertakes:

(a) (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs (a)(1)(i), (a)(1)(ii) and (a)(1)(iii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the SEC by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:

(i) Each prospectus filed by the registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(ii) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5) or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii) or (x) for the purpose of providing the information required by Section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

(5) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities, the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(b) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) To file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of Section 310 of the Trust Indenture Act of 1939 (the "Trust Indenture Act") in accordance with the rules and

regulations prescribed by the SEC under Section 305(b)(2) of the Trust Indenture Act.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement on Form S-3 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Minneapolis, State of Minnesota, on October 30, 2012.

TENNANT COMPANY

By: /s/ H. Chris Killingstad
H. Chris Killingstad
President and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed on October 30, 2012 by the following persons in the capacities with Tennant Company indicated:

/s/ H. Chris Killingstad H. Chris Killingstad	President and Chief Executive Officer (Principal Executive Officer)
/s/ Thomas Paulson Thomas Paulson	Chief Financial Officer (Principal Financial and Accounting Officer)

Azita Arvani	)	
William F. Austen	)	
Carol S. Eicher	)	
James T. Hale	)	
H. Chris Killingstad	)	Directors*
David Mathieson	)	
Donal L. Mulligan	)	
Stephen G. Shank	)	
Steven A. Sonnenberg	)	
David S. Wichmann	)	

*Heidi M. Wilson, by signing her name hereto, does hereby sign this document on behalf of each of the directors named above pursuant to powers of attorney duly executed by the directors named and filed with the Securities and Exchange Commission on behalf of such directors.

/s/ Heidi M. Wilson
Heidi M. Wilson,
Attorney-in-Fact

EXHIBIT INDEX

Exhibit	Description	Manner of Filing
1(a)	Form of Underwriting Agreement for Debt Securities.*	
1(b)	Form of Underwriting Agreement for Preferred Stock.*	
1(c)	Form of Underwriting Agreement for Common Stock.*	
4(a)	Restated Articles of Incorporation of Tennant Company, as amended.	Incorporation by Reference
4(b)	Certificate of Designation for Series A Junior Participating Preferred Stock.	Incorporation by Reference
4(c)	Amended and Restated By-Laws.	Incorporation by Reference
4(d)	Rights Agreement, dated as of November 10, 2006, between Tennant Company and Wells Fargo Bank, N.A., as Rights Agent.	Incorporation by Reference
4(e)	Form of Indenture.	Incorporation by Reference
4(f)	Form of Note.	Incorporation by Reference
4(g)	Form of Certificate of Designation of Preferred Stock.*	
4(h)	Form of Preferred Stock Certificate.*	
4(i)	Form of Deposit Agreement, including form of Depositary Receipt.*	
4(j)	Form of Common Stock Certificate.	Incorporation by Reference
5(a)	Opinion of Faegre Baker Daniels LLP.	Electronic Transmission
12(a)	Computation of ratio of earnings to fixed charges.	Electronic Transmission
23(a)	Consent of Faegre Baker Daniels (included as part of Exhibit 5(a)).	
23(b)	Consent of Independent Registered Public Accounting Firm.	Electronic Transmission
24(a)	Power of Attorney.	Electronic

		Transmission
25	Statement of Eligibility of Trustee.**	

* To be filed by amendment or as an exhibit to a document to be incorporated by reference herein in connection with an offering of securities.

** To be filed on Form T-1 pursuant to Section 305(b)(2) of the Trust Indenture Act of 1939, as amended.

ottom"> $19,979

Issuance of common stock pursuant to stock compensation plans (336,111 shares)

2,139 2,139

Stock based compensation charge

6,979 6,979

Stock based compensation income tax effects

164 164

Shares withheld for payment of employee payroll taxes due on shares issued under stock based compensation plans (70,807 shares)

(1,220) (1,220)

Issuance of common stock in connection with acquisition (1,558,442 shares)

35,393 35,393

Issuance of common stock in connection with license agreement (52,615 shares)

966 966

Balance June 30, 2010 (43,646,677 common shares and 1,072,705 treasury shares)				
$549,219	$240,904	$(17,529)	$(6,871)	$765,723

See notes to consolidated financial statements

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THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS EQUITY

YEARS ENDED JUNE 30, 2011, 2010 and 2009

(In thousands, except per share and share data)

	Common Stock and Additional Paid-in Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income	Non-controlling Interest	Total Stockholders Equity
Balance at June 30, 2010	$ 549,219	$ 240,904	$ (17,529)	$ (6,871)		$ 765,723
Net income		54,982				54,982
Foreign currency translation adjustments, net of tax of $(692)				14,641		14,641
Change in deferred gains on cash flow hedging instruments, net of tax of $251				(724)		(724)
Change in unrealized loss on available for sale investment, net of tax of $(51)				98		98
Total comprehensive income						$ 68,997
Issuance of common stock pursuant to stock compensation plans (1,156,235 shares)	17,912					17,912
Stock based compensation charge	9,031					9,031
Stock based compensation income tax effects	2,525					2,525
Shares withheld for payment of employee payroll taxes due on shares issued under stock based compensation plans (71,905 shares)			(2,221)			(2,221)
Issuance of common stock in connection with acquisition (242,185 shares)	4,736					4,736
Balance June 30, 2011 (45,045,097 common shares and 1,144,610 treasury shares)	$ 583,423	$ 295,886	$ (19,750)	$ 7,144		$ 866,703

See notes to consolidated financial statements

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THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2011, 2010 and 2009

(In thousands)

	Year Ended June 30		
	2011	**2010**	**2009**
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income (loss)	$ 54,982	$ 28,619	$ (29,458)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	24,124	18,772	21,354
Impairment of goodwill and other intangibles			52,630
Unrealized loss on available for sale investment		1,210	
Deferred income taxes	5,160	4,046	(2,177)
Tax benefit from stock based compensation	2,525	955	223
Equity in net (income) loss of equity-method investees	2,148	1,739	
Stock based compensation	9,031	6,979	7,211
Contingent consideration expense	(4,177)		
Interest accretion on contingent consideration	1,691		
Other non-cash items, net	329	771	703
Increase (decrease) in cash attributable to changes in operating assets and liabilities, net of amounts applicable to acquisitions:			
Accounts receivable	(22,545)	4,593	(7,889)
Inventories	(5,677)	5,856	(26,623)
Other current assets	778	4,719	1,769
Other assets	(6,141)	(3,267)	(4,692)
Accounts payable and accrued expenses	4,459	(15,225)	11,668
Acquisition-related contingent consideration	(650)		
Income taxes	(7,379)	11,263	(3,094)
Net cash provided by operating activities	58,658	71,030	21,625
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions, net of cash acquired	(45,339)	(51,415)	(1,024)
Purchases of property and equipment	(11,490)	(11,428)	(12,990)
Proceeds from disposals of property and equipment	1,617	85	952
(Advances to) repayments from equity-method investees, net	(271)		18,500
Deconsolidation of subsidiary			(2,233)
Net cash provided by (used in) investing activities	(55,483)	(62,758)	3,205
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds (payments) from bank revolving credit facility, net	4,100	(33,400)	(47,170)
Repayments of other long-term debt, net	(22)	(88)	(34)
Acquisition-related contingent consideration	(14,750)		
Shares withheld for payment of employee payroll taxes	(2,221)	(1,220)	(836)
Investments by and advances from minority shareholder in joint venture			2,906
Proceeds from exercise of stock options, net of related expenses	17,912	2,139	5,283
Excess tax benefits from share-based compensation	2,115	188	117
Net cash provided by (used in) financing activities	7,134	(32,381)	(39,734)

Effect of exchange rate changes on cash	(58)	(33)	(2,201)
Net increase (decrease) in cash and cash equivalents	10,251	(24,142)	(17,105)
Cash and cash equivalents at beginning of year	17,266	41,408	58,513
Cash and cash equivalents at end of year	$ 27,517	$ 17,266	$ 41,408

See notes to consolidated financial statements.

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THE HAIN CELESTIAL GROUP, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. BUSINESS

The Hain Celestial Group, Inc., a Delaware corporation, and its subsidiaries (collectively, the Company, and herein referred to as we, us, and our) manufacture, market, distribute and sell natural and organic products under brand names which are sold as better-for-you products. We are a leader in many natural food categories, with such well-known food brands as Earth s Best®, Celestial Seasonings®, Terra®, Garden of Eatin®, Sensible Portions®, Rice Dream®, Soy Dream®, Almond Dream®, Imagine®, Westsoy®, The Greek Gods®, Ethnic Gourmet®, Rosetto®, Arrowhead Mills®, MaraNatha®, SunSpire®, Health Valley®, Spectrum Naturals®, Spectrum Essentials®, Lima®, Danival®, GG UniqueFiber , Yves Veggie Cuisine®, DeBoles®, Linda McCartney® (under license) and Daily Bread . Our natural personal care products are marketed under the Avalon Organics®, Alba Botanica®, JASON®, Zia®, Queen Helene®, and Earth s Best TenderCare® brands. Our household cleaning products are marketed under the Martha Stewart Clean (under license) brand.

We have a minority investment in Hain Pure Protein Corporation (HPP or Hain Pure Protein), which processes, markets and distributes antibiotic-free chicken and turkey products. We also have an investment in a joint venture in Hong Kong with Hutchison China Meditech Ltd. (Chi-Med), a majority owned subsidiary of Hutchison Whampoa Limited, a company listed on the Alternative Investment Market, a sub-market of the London Stock Exchange, to market and distribute co-branded infant and toddler feeding products and market and distribute selected Hain Celestial brands in China and other markets. See Note 2, Basis of Presentation, and Note 14, Equity Investments.

We operate in one business segment: the manufacturing, distribution, marketing and sale of natural and organic products. During the three years ended June 30, 2011, approximately 45%, 40% and 50% of our revenues were derived from products that were manufactured within our own facilities with 55%, 60% and 50% produced by various co-packers. In fiscal 2011, 2010 and 2009, there was no co-packer who manufactured 10% or more of our products.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In the Notes to Consolidated Financial Statements, all dollar amounts, except per share data, are in thousands unless otherwise indicated.

Basis of Presentation

Our accompanying consolidated financial statements include the accounts of the Company and its wholly-owned and majority-owned subsidiaries. Intercompany accounts and transactions have been eliminated in consolidation. Investments in affiliated companies in which the company exercises significant influence, but which it does not control, are accounted for in the accompanying consolidated financial statements under the equity method of accounting. As such, consolidated net income (loss) includes the Company s equity portion of current earnings or losses of such companies. Investments in which the Company does not exercise significant influence (generally less than a 20 percent ownership interest) are accounted for under the cost method.

Certain prior year amounts have been reclassified to conform to current year classifications.

On June 30, 2009, the minority owner in our HPP joint venture acquired a controlling interest in the joint venture through the purchase of newly issued shares of HPP. As a result, the Company s equity interest was reduced to 48.7% and effective June 30, 2009, the Company deconsolidated HPP. The Company s investment in HPP is accounted for under the equity method of accounting effective from June 30, 2009. The Company s consolidated statements of operations for all periods prior to July 1, 2009 include the revenues and expenses of HPP.

Management evaluated all events and transactions occurring after the balance sheet date through the filing of this annual report on Form 10-K.

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Use of Estimates

The financial statements are prepared in accordance with accounting principles generally accepted in the United States. The accounting principles we use require us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and amounts of income and expenses during the reporting periods presented. We believe in the quality and reasonableness of our critical accounting policies; however, it is likely that materially different amounts would be reported under different conditions or using assumptions different from those that we have consistently applied.

Cash and Cash Equivalents

The Company considers cash and cash equivalents to include cash in banks, commercial paper and deposits with financial institutions that can be liquidated without prior notice or penalty. The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Valuation of Accounts and Chargebacks Receivable and Concentration of Credit Risk

We perform ongoing credit evaluations on existing and new customers daily. We apply reserves for delinquent or uncollectible trade receivables based on a specific identification methodology and also apply an additional reserve based on the experience we have with our trade receivables aging categories. Credit losses have been within our expectations in recent years. While one of our customers represented approximately 16% of our trade receivables balances as of June 30, 2011 and 2010, and a second customer represented approximately 11% of our trade receivable balances at June 30, 2011 and 2010, we believe there is no significant or unusual credit exposure at this time.

Based on cash collection history and other statistical analysis, we estimate the amount of unauthorized deductions our customers have taken that we expect to be repaid in the near future in the form of a chargeback receivable. Our estimate of this receivable balance ($3,556 at June 30, 2011 and $4,577 at June 30, 2010) could be different had we used different assumptions and judgments.

During the years ended June 30, 2011, 2010 and 2009, sales to one customer and its affiliates approximated 21%, 21% and 19% of net sales, respectively.

Inventory

Our inventory is valued at the lower of cost or market, utilizing the first-in, first-out method. We provide write-downs for finished goods expected to become non-saleable due to age and specifically identify and provide for slow moving or obsolete raw ingredients and packaging.

Property, Plant and Equipment

Our property, plant and equipment is carried at cost and depreciated or amortized on a straight-line basis over the estimated useful lives or lease life, whichever is shorter. We believe the asset lives assigned to our property, plant and equipment are within ranges generally used in consumer products manufacturing and distribution businesses. Our manufacturing plants and distribution centers, and their related assets, are periodically reviewed to determine if any impairment exists by analyzing underlying cash flow projections. At this time, we believe no impairment of the carrying value of such assets exists. Ordinary repairs and maintenance are expensed as incurred. We utilize the following ranges of asset lives:

Buildings and improvements	10-40 years
Machinery and equipment	3-20 years
Furniture and fixtures	3-15 years

Leasehold improvements are amortized over the shorter of the respective initial lease term or the estimated useful life of the assets, and generally range from 3 to 15 years.

Goodwill and Intangible Assets

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Goodwill and other intangible assets with indefinite useful lives are not amortized, but instead tested for impairment at least annually at the reporting unit level. The Company performs its test for impairment at the beginning of the fourth quarter of its fiscal year, and earlier if an event occurs or circumstances change that indicates impairment might exist. The impairment test for goodwill requires the Company to compare the fair value of a reporting unit to its carrying value, including goodwill. The Company has determined that it operates in one segment and that this single segment consists of five reporting units (see Note 18). The Company uses a blended analysis of a discounted cash flow model and a market valuation approach to determine the fair values of its reporting units. If the carrying value of a reporting unit exceeds its fair value, the Company would then compare the carrying value of the goodwill to its implied fair value in order to determine the amount of the impairment, if any.

Revenue Recognition

Sales are recognized when the earnings process is complete, which occurs when products are shipped in accordance with terms of agreements, title and risk of loss transfer to customers, collection is probable and pricing is fixed or determinable. Shipping and handling costs billed to customers are included in reported sales. Allowances for cash discounts are recorded in the period in which the related sale is recognized.

Sales and Promotion Incentives

The Company offers a variety of sales and promotional incentives to its customers and consumers, including trade discounts, slotting fees and coupon costs. Sales are reported net of these sales incentives.

Shipping and Handling Costs

We include the costs associated with shipping and handling of our inventory as a component of cost of sales.

Foreign Currency Translation

The financial position and operating results of foreign operations are consolidated using the local currency as the functional currency. Financial statements of foreign subsidiaries are translated into U.S. dollars using current rates for balance sheet accounts and average rates during each reporting period for revenues, costs and expenses. Net translation gains or losses resulting from the translation of foreign financial statements and the effect of exchange rate changes on intercompany transactions of a long-term investment nature are accumulated and credited or charged directly to a separate component of stockholders equity and other comprehensive income.

The Company also recognizes gains and losses on transactions that are denominated in a currency other than the respective entity s functional currency. Foreign currency transaction gains and losses also include amounts realized on the settlement of intercompany loans with foreign subsidiaries that are of a short-term investment nature.

Research and Development Costs

Research and development costs are expensed as incurred and are included in selling, general and administrative expenses in the accompanying consolidated financial statements. Research and development costs amounted to $3,819 in fiscal 2011, $2,958 in fiscal 2010 and $3,032 in fiscal year 2009. Our research and development expenditures do not include the expenditures on such activities undertaken by co-packers and suppliers who develop numerous products based on ideas we generate and on their own initiative with the expectation that we will accept their new product ideas and market them under our brands. These efforts by co-packers and suppliers have resulted in a substantial number of our new product introductions. We are unable to estimate the amount of expenditures made by co-packers and suppliers on research and development; however, we believe such activities and expenditures are important to our continuing ability to introduce new products.

Advertising Costs

Media advertising costs, which are included in selling, general and administrative expenses, amounted to $6,664 in fiscal 2011, $5,264 in fiscal 2010 and $6,019 in fiscal year 2009. Such costs are expensed as incurred.

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Income Taxes

We follow the liability method of accounting for income taxes. Under the liability method, deferred taxes are determined based on the differences between the financial statement and tax bases of assets and liabilities at enacted rates in effect in the years in which the differences are expected to reverse. Valuation allowances are provided for deferred tax assets to the extent it is more likely than not that deferred tax assets will not be recoverable against future taxable income.

We recognize liabilities for uncertain tax positions based on a two-step process prescribed by the authoritative guidance. The first step requires us to determine if the weight of available evidence indicates that the tax position has met the threshold for recognition; therefore, we must evaluate whether it is more likely than not that the position will be sustained on audit, including resolution of any related appeals or litigation processes. The second step requires us to measure the tax benefit of the tax position taken, or expected to be taken, in an income tax return as the largest amount that is more than 50% likely of being realized upon ultimate settlement. We reevaluate the uncertain tax positions each quarter based on factors including, but not limited to, changes in facts or circumstances, changes in tax law, effectively settled issues under audit, and new audit activity. Depending on the jurisdiction, such a change in recognition or measurement may result in the recognition of a tax benefit or an additional charge to the tax provision in the period. We record interest and penalties in our provision for income taxes.

Fair Value of Financial Instruments

The fair value of financial instruments is the amount at which the instrument could be exchanged in a current transaction between willing parties. At June 30, 2011 and 2010, we had $7,300 and $10,586 invested in corporate money market securities, including commercial paper, repurchase agreements, variable rate instruments and bank instruments. These securities are classified as cash equivalents as their maturities when purchased are less than three months. At June 30, 2011 and 2010, the carrying values of financial instruments such as accounts receivable, accounts payable, accrued expenses and other current liabilities and borrowings under our credit facility approximate fair value based upon either the short maturities or variable interest rates of these instruments. The fair value of the Company s foreign currency contracts are based upon information from third parties.

Derivative Instruments

The Company utilizes derivative instruments, principally foreign exchange forward contracts, to manage exposures to changes in foreign exchange rates. The Company s contracts are hedges for transactions with notional balances and periods consistent with the related exposures and do not constitute investments independent of these exposures. These contracts, which are designated and documented as cash flow hedges, qualify for hedge accounting treatment. Exposure to counterparty credit risk is considered low because these agreements have been entered into with high quality financial institutions.

All derivative instruments are recognized on the balance sheet at fair value. The effective portion of changes in the fair value of derivative instruments that qualify for hedge accounting treatment are recognized in stockholders equity until the hedged item is recognized in earnings. Changes in the fair value of derivatives that do not qualify for hedge treatment, as well as the ineffective portion of any hedges, are recognized currently in earnings.

Stock Based Compensation

The Company has employee and director stock based compensation plans. The fair value of employee stock options is determined on the date of grant using the Black-Scholes option pricing model. The Company has used historical volatility in its estimate of expected volatility. The expected life represents the period of time (in years) for which the options granted are expected to be outstanding. The risk-free interest rate is based on the U.S. Treasury yield curve. Restricted stock awards are valued at the market value of our common stock on the date of grant.

The fair value of stock based compensation awards is recognized in expense over the vesting period of the award, using the straight-line method. For restricted stock awards which include performance criteria, compensation

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expense is recorded when the achievement of the performance criteria is probable and is recognized over the performance and vesting service periods. Compensation expense is recognized for only that portion of stock based awards that are expected to vest. Therefore, we apply estimated forfeiture rates that are derived from historical employee termination activity to reduce the amount of compensation expense recognized. If the actual forfeitures differ from the estimate, additional adjustments to compensation expense may be required in future periods.

The Company receives an income tax deduction in certain tax jurisdictions for restricted stock grants when they vest and for stock options exercised by employees equal to the excess of the market value of our common stock on the date of exercise over the option price. Excess tax benefits (tax benefits resulting from tax deductions in excess of compensation cost recognized) are classified as a cash flow provided by financing activities in the accompanying Consolidated Statement of Cash Flows.

Valuation of Long-Lived Assets

We periodically evaluate the carrying value of long-lived assets to be held and used in the business, other than goodwill and intangible assets with indefinite lives, when events and circumstances occur indicating that the carrying amount of the asset may not be recoverable. An impairment is recognized when the estimated undiscounted cash flows associated with the asset or group of assets is less than their carrying value. If the carrying value of a long-lived asset is considered impaired, a loss is recognized based on the amount by which the carrying value exceeds the fair value for assets to be held and used.

Deferred Financing Costs

Costs associated with obtaining debt financing are capitalized and amortized over the related term of the applicable debt instruments, which approximates the effective interest method.

Newly Adopted Accounting Pronouncements

In the first quarter of fiscal 2011 we adopted new accounting guidance included in Accounting Standards Codification (ASC) 810, Consolidation, regarding the consolidation of variable interest entities. The standard includes guidance for determining whether an entity is a variable interest entity and replaces the quantitative-based risks and rewards approach with a qualitative approach that focuses on identifying which enterprise has the power to direct the activities of a variable interest entity that most significantly impact the entity s economic performance. It also requires an ongoing reassessment of whether an entity is the primary beneficiary, and it requires additional disclosures about an enterprise s involvement in variable interest entities. The adoption of the guidance did not have any impact on our results of operations or financial condition.

Recently Issued Accounting Pronouncements Not Yet Effective

In December 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2010-28, Intangibles-Goodwill and Other (Topic 350), When to Perform Step 2 of the Goodwill Impairment Test for Reporting Units with Zero or Negative Carrying Amounts (a consensus of the FASB Emerging Issues Task Force), which provides updated authoritative guidance related to performing Step 2 of the goodwill impairment test for reporting units with zero or negative carrying amounts. For those reporting units, an entity is required to perform Step 2 of the goodwill impairment test if it is more likely than not that a goodwill impairment exists. The qualitative factors that an entity should consider when evaluating whether it is more likely than not that a goodwill impairment exists are consistent with the existing guidance for determining whether an impairment exists between annual tests. This update is effective for fiscal years, and interim periods within those years, beginning after December 15, 2010, with no early adoption, which for the Company is our fiscal year beginning July 1, 2011. We do not expect this standard to have a material impact on our consolidated financial statements.

In December 2010, the FASB issued ASU No. 2010-29, Disclosure of Supplementary Pro Forma Information for Business Combinations. The amendments in this standard specify that if a public entity presents comparative financial statements, the entity should disclose revenue and earnings of the combined entity as though the business combination(s) that occurred during the current year had occurred as of the beginning of the comparable prior annual reporting period only. This standard also expands the supplemental pro forma disclosures under ASC 805 to include

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a description of the nature and amount of material, nonrecurring pro forma adjustments directly attributable to the business combination included in the reported pro forma revenue and earnings. The amendments in this ASU are effective prospectively for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2010, with early adoption permitted. This standard is therefore effective for the Company for acquisitions made in our fiscal year beginning July 1, 2011. We do not expect the pro forma disclosure requirements under this standard to have a material impact on our consolidated financial statements.

3. EARNINGS PER SHARE ATTRIBUTABLE TO THE HAIN CELESTIAL GROUP, INC.

The following table sets forth the computation of basic and diluted earnings per share:

	2011	2010	2009
Numerator:			
Net income (loss) attributable to The Hain Celestial Group, Inc.	$ 54,982	$ 28,619	$ (24,723)
Denominator (in thousands):			
Denominator for basic earnings per share - weighted average shares outstanding during the period	43,165	40,890	40,483
Effect of dilutive securities:			
Effect of dilutive stock options and unvested restricted stock	1,372	624	
Denominator for diluted earnings per share adjusted weighted average shares and assumed conversions	44,537	41,514	40,483
Basic net income (loss) per share	$ 1.27	$ 0.70	$ (0.61)
Diluted net income (loss) per share	$ 1.23	$ 0.69	$ (0.61)

Shares used in the diluted net income per share calculations exclude anti-dilutive common equivalent shares, consisting of stock options and restricted stock awards. These anti-dilutive common shares totaled 624,000 shares and 2,442,000 shares for the fiscal years ending June 30, 2011 and 2010, respectively. As a result of our net loss for the fiscal year ended June 30, 2009, all potentially dilutive shares were anti-dilutive and therefore excluded from the computation of diluted net loss per share.

4. STOCK KEEPING UNIT RATIONALIZATION AND REORGANIZATION

The Company periodically assesses its operations to ensure that they are efficient, aligned with market conditions and responsive to customer needs.

In the third quarter of fiscal 2011 we initiated a plan to close our Manchester, United Kingdom non-dairy beverage facility. For the year ended June 30, 2011, we recorded $321 of costs associated with this plan, including $116 for employee terminations and $205 for other exit costs.

During the first quarter of fiscal 2010 we initiated a plan to consolidate the production of our fresh food-to-go products in the United Kingdom into our Luton facility. As a result, we recorded costs of $3,740 for the year ended June 30, 2010 related to this plan, including $2,910 for severance and benefits and $830 of other exit costs. In addition, in connection with our acquisition of Churchill Food Products Ltd, in June 2010 (see Note 5) we recorded employee termination and exit costs of $516. In the year ended June 30, 2011, we recorded an additional $465 of employee termination costs.

During fiscal 2009, the Company undertook several actions to improve performance and position the Company for future growth. We implemented a Stock Keeping Unit (SKU) rationalization, principally in our Celestial Seasonings tea products, to eliminate SKUs based on low sales volume or insufficient margins, and position the Celestial Seasonings line for increased consumption and sales growth and improved profitability. We also initiated a plan to streamline and integrate the back office and warehousing operations of our personal care operations into other locations we operate. With this activity, we also completed the SKU rationalization of our personal care products begun

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in fiscal 2008. These actions collectively resulted in pre-tax charges of $12,708, which included $8,563 charged to cost of sales for inventory and related items and $4,145 charged to general and administrative expenses for severance and other costs.

The changes in the liability for the reorganization and restructuring activities for the years ended June 30, 2009, 2010 and 2011 were as follows:

	Asset write downs	Severance	Other Exit Costs	Total
Liability balance June 30, 2008		$ 1,165		$ 1,165
Charges	$ 1,055	3,012	$ 815	4,882
Amounts utilized	(1,055)	(3,858)	(695)	(5,608)
Liability balance June 30, 2009		319	120	439
Charges	266	3,316	830	4,412
Amounts utilized	(266)	(3,061)	(309)	(3,636)
Liability balance June 30, 2010		574	641	1,215
Charges		581	205	786
Amounts utilized		(976)	(397)	(1,373)
Liability balance June 30, 2011		$ 179	$ 449	$ 628

5. ACQUISITIONS

We account for acquisitions using the acquisition method of accounting. The results of operations of the acquisitions have been included in our consolidated results from their respective dates of acquisition. We allocate the purchase price of each acquisition to the tangible assets, liabilities, and identifiable intangible assets acquired based on their estimated fair values. The fair values assigned to identifiable intangible assets acquired were determined primarily by using an income approach which was based on assumptions and estimates made by management. Significant assumptions utilized in the income approach were based on company specific information and projections, which are not observable in the market and are thus considered Level 3 measurements as defined by authoritative guidance. The excess of the purchase price over the fair value of the identified assets and liabilities has been recorded as goodwill. Any change in the estimated fair value of the net assets prior to the finalization of the allocation for acquisitions could change the amount of the purchase price allocable to goodwill. The company is not aware of any information that indicates the final purchase price allocations will differ materially from the preliminary estimates.

Fiscal 2011

On February 4, 2011, we acquired Danival SAS, a manufacturer of certified organic food products based in France, for cash consideration of 18,083 ($24,741 based on the transaction date exchange rate). Danival s product line includes over 200 branded organic sweet and salted grocery, fruits, vegetables and delicatessen products currently distributed in Europe. The Danival acquisition complements the organic food line of our Lima brand in Europe and provides additional opportunities to us through expanded distribution of Danival s products in Europe, the United States and Asia. Identifiable intangible assets acquired consisted of customer relationships, recipes and the trade name. The trade name intangible relates to the Danival brand name, which has an indefinite life, and therefore, is not amortized. The customer relationship and recipes intangible assets are being amortized on a straight-line basis over the estimated useful lives. The goodwill recorded of $9,142 represents the future economic benefits expected to arise that could not be individually identified and separately recognized. The goodwill is not deductible for tax purposes.

On January 28, 2011, we acquired GG UniqueFiber AS, a manufacturer of all natural high fiber crackers based in Norway. GG UniqueFiber s products are distributed through independent distributors in the United States and Europe. The acquisition broadens our offerings of whole grain and high fiber products, for which we can provide expanded distribution. The acquisition of GG UniqueFiber was completed for cash consideration of Norwegian kroner (NOK) 25,000 ($4,281 based on the transaction date exchange rate) plus up to NOK 25,000 ($4,281) of additional contingent consideration based upon the achievement of specified operating results, of which the Company recorded

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NOK 17,600 ($3,050) as the fair value at the acquisition date. The goodwill recorded of $4,893 represents the future economic benefits expected to arise that could not be individually identified and separately recognized. The goodwill is not deductible for tax purposes.

On July 2, 2010, we acquired substantially all of the assets and business, including The Greek Gods brand of Greek-style yogurt products, and assumed certain liabilities of 3 Greek Gods, LLC (Greek Gods). Greek Gods developed, produced, marketed and sold The Greek Gods brand of Greek-style yogurt products into various sales channels. The acquisition of The Greek Gods brand expands our refrigerated product offerings. The acquisition was completed for initial cash consideration of $16,277, and 242,185 shares of the Company s common stock, valued at $4,785, plus up to $25,800 of additional contingent consideration based upon the achievement of specified operating results in fiscal 2011 and 2012. The Company recorded $22,900 as the fair value of the contingent consideration at the acquisition date. The Company is required to reassess the fair value of the contingent consideration on a periodic basis. During the year ended June 30, 2011, we increased our liability for the contingent consideration and recorded an additional expense of $443. The increase in the liability resulted from the actual attainment of the first year s results and our current projection of the second year s financial results. Identifiable intangible assets acquired consisted of customer relationships and the trade name. The trade name intangible relates to The Greek Gods brand name, which has an indefinite life, and therefore, is not amortized. The customer relationship intangible asset is being amortized on a straight-line basis over its estimated useful life. The goodwill recorded of $23,686 represents the future economic benefits expected to arise that could not be individually identified and separately recognized, including entry into the yogurt category and use of our existing infrastructure to expand sales of the acquired business products. The goodwill is expected to be deductible for tax purposes.

The following table summarizes the components of the purchase price allocations for the fiscal 2011 acquisitions:

	Greek Gods	GG UniqueFiber	Danival	Total
Purchase price:				
Cash paid	$ 16,277	$ 4,281	$ 24,741	$ 45,299
Equity issued	4,785			4,785
Fair value of contingent consideration	22,900	3,050		25,950
	$ 43,962	$ 7,331	$ 24,741	$ 76,034
Allocation:				
Current assets	$ 2,172	$ 429	$ 7,320	$ 9,921
Property, plant and equipment		673	3,049	3,722
Identifiable intangible assets	18,800	2,116	12,587	33,503
Assumed liabilities	(696)	(527)	(5,239)	(6,462)
Deferred income taxes		(253)	(2,118)	(2,371)
Goodwill	23,686	4,893	9,142	37,721
	$ 43,962	$ 7,331	$ 24,741	$ 76,034

Acquisition costs related to the 2011 acquisitions have been expensed as incurred and are included in Acquisition related expenses and restructuring charges in the Consolidated Statement of Operations. Total acquisition-related costs, primarily professional fees, of approximately $3,538, offset by $(4,177) of contingent consideration adjustments, were expensed in the year ended June 30, 2011. The amounts of revenue and earnings from the Danival and GG UniqueFiber acquisitions included in our results since their respective dates of acquisition were not significant.

Fiscal 2010

On June 15, 2010, we acquired substantially all of the assets and business, including the Sensible Portions brand snack products, and assumed certain liabilities, of World Gourmet Marketing, L.L.C. (World Gourmet). World Gourmet developed, produced, marketed and sold Sensible Portions branded Garden Veggie Straws, Potato Straws, Apple Straws, Pita Bites and other snack products into various sales channels and developed significant strength in the club store channel. The acquisition of the Sensible Portions brand expanded our snack product offerings as well as sales opportunities for our other products in the club store channel. The terms included initial cash consideration

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of $50,914, and 1,558,442 shares of the Company s common stock, valued at $35,392, plus up to $30,000 of additional contingent consideration based upon the achievement of specified operating results in fiscal 2011. The Company recorded $26,600 as the fair value of the contingent consideration at the acquisition date. During the year ended June 30, 2011, we recorded a decrease in our liability for contingent consideration, resulting in income of $4,620. The decrease in the liability resulted from the actual financial results achieved. However, the final determination of the contingent consideration is subject to agreement by the selling shareholders.

The following table summarizes the consideration paid for the World Gourmet acquisition and the amounts of assets acquired and liabilities assumed recognized at the acquisition date:

	Amount
Purchase price:	
Cash paid	$ 50,914
Equity issued	35,392
Fair value of contingent consideration	26,600
	$ 112,906
Allocation:	
Current assets	$ 10,114
Property, plant and equipment	7,212
Identifiable intangible assets	50,000
Other assets	248
Other liabilities	(9,025)
Goodwill	54,357
	$ 112,906

Identifiable intangible assets include customer relationships and trade names. The trade name intangible relates to the Sensible Portions brand name, which has an indefinite life, and therefore, is not amortized. The customer relationship intangible asset is being amortized on a straight-line basis over its respective estimated useful life. The goodwill of $54,357 represents the future economic benefits expected to arise that could not be individually identified and separately recognized, including expansion of the Company s sales into the club store channel, an increased presence in the snack category and use of our existing infrastructure to expand sales of the acquired business products. The goodwill is deductible for tax purposes.

Acquisition costs related to World Gourmet have been expensed as incurred and are included in Acquisition related expenses and restructuring charges in the Consolidated Statement of Operations. Total acquisition related costs of $2,011 were expensed in the year ended June 30, 2010.

On June 15, 2010, we also acquired Churchill Food Products Limited (Churchill), a manufacturer and distributor of food-to-go products in the United Kingdom. The acquisition of Churchill complemented our existing Daily Bread brand by broadening our customer base for food-to-go products and expanding our product offerings. The acquisition of Churchill was completed for cash consideration of £1,271 ($1,871 based on the transaction date exchange rate) plus up to £1,800 ($2,650) of additional contingent consideration based upon the achievement of specified operating results in fiscal 2011 and 2012, of which the Company recorded £1,314 ($1,980) as the fair value at the acquisition date. Acquisition costs related to Churchill have been expensed as incurred and are included in Acquisition related expenses and restructuring charges in the Consolidated Statement of Operations. Total acquisition-related costs of $280 were expensed in the year ended June 30, 2010.

Pro forma information does not included Churchill because Churchill s operations would not have materially impacted our consolidated results of operations.

The following table provides unaudited pro forma results of operations for the fiscal years ended June 30, 2011, 2010, and 2009, as if the acquisitions had been completed at the beginning of fiscal year 2009. The following pro forma combined results of operations have been provided for illustrative purposes only, and do not purport to be indicative of the actual results that would have been achieved by the Company for the periods presented or that will be achieved by the combined company in the future. The pro forma information has been adjusted to give effect to items that are directly attributable to the transactions and are expected to have a continuing impact on the combined results. The adjustments include amortization expense associated with acquired identifiable intangible assets, interest expense associated with bank

borrowings to fund the acquisitions and elimination of transactions costs incurred in fiscal 2011 and 2010 that are directly related to the transactions and do not have a continuing impact on operating results.

	June 30, 2011	June 30, 2010	June 30, 2009
Pro forma net sales	$ 1,141,405	$ 1,020,487	$ 1,164,969
Pro forma net income (loss)	$ 55,300	$ 36,206	$ (26,429)
Pro forma earnings per common share - diluted	$ 1.24	$ 0.84	$ (0.63)

This information has not been adjusted to reflect any changes in the operations of the businesses subsequent to their acquisition by us. Changes in operations of the acquired businesses include, but are not limited to, discontinuation

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of products, integration of systems and personnel, changes in trade practices, application of our credit policies, changes in manufacturing processes or locations, and changes in marketing and advertising programs. Had any of these changes been implemented by the former managements of the businesses acquired prior to acquisition by us, the sales and net income information might have been materially different than the actual results achieved and from the pro forma information provided. In management s opinion, these unaudited pro forma results of operations are not intended to represent or to be indicative of the actual results that would have occurred had the acquisitions been consummated at the beginning of the periods presented or of future operations of the combined companies under our management.

6. INVENTORIES

Inventories consisted of the following at June 30:

	2011	2010
Finished goods	$ 113,086	$ 102,472
Raw materials, work-in-process and packaging	58,012	54,540
	$ 171,098	$ 157,012

7. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consisted of the following at June 30:

	2011	2010
Land	$ 9,157	$ 9,106
Buildings and improvements	41,779	37,957
Machinery and equipment	156,739	138,748
Furniture and fixtures	8,230	6,660
Leasehold improvements	1,934	3,477
Construction in progress	6,382	4,496
	224,221	200,444
Less:		
Accumulated depreciation and amortization	113,798	93,459
	$ 110,423	$ 106,985

8. GOODWILL AND OTHER INTANGIBLE ASSETS

The changes in the carrying amount of goodwill for the years ended June 30, 2011 and 2010 were as follows:

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	2011	2010
Balance at beginning of year:		
Goodwill	$ 558,484	$ 498,488
Accumulated impairment losses	(42,029)	(42,029)
Carrying value	516,455	456,459
Additions	37,721	55,885
Reallocations to tangible and intangible assets	8,179	
Translation and other adjustments, net	6,019	4,111
Balance at end of year:		
Goodwill	610,403	558,484
Accumulated impairment losses	(42,029)	(42,029)
Carrying value	$ 568,374	$ 516,455

The addition to goodwill in fiscal 2011 of $37,721 related to the acquisitions of Danival ($9,142) and GG UniqueFiber ($4,893) and the acquisition of the assets and business of 3 Greek Gods LLC ($23,686). The addition to goodwill in fiscal 2010 of $55,885 related to the acquisition of the assets and business of World Gourmet Marketing L.L.C. ($54,357) and the acquisition of Churchill Food Products, Ltd. ($1,528). Included in translation and other adjustments are the impacts of changes in foreign currency exchange rates on goodwill and adjustments of certain purchase accounting liabilities.

The Company performs its annual test for goodwill impairment on the first day of the fourth quarter of its fiscal year. In addition, if and when events or circumstances change that would more likely than not reduce the fair value of any of its reporting units below their carrying value, an interim test is performed. The Company completed its annual impairment analysis for fiscal year 2011 and determined that no impairment existed as of the date of that analysis.

Based upon a combination of factors including a sustained decline in the Company s market capitalization below the Company s carrying value during the fiscal quarter ended March 31, 2009, coupled with challenging macro-economic conditions, the Company concluded that sufficient indicators existed to require it to perform an interim goodwill impairment analysis at March 1, 2009. Accordingly, the Company performed the first step of its interim goodwill impairment test for each of its then six reporting units. For purposes of this analysis, our estimates of fair values were based on a combination of the income approach, which estimates the fair value of each reporting unit based on the future discounted cash flows, and the market approach, which estimates the fair value of the reporting units based on comparable market prices. The income approach requires that assumptions be made for, among others, forecasted revenues, gross profit margins, operating profit margins, working capital cash flow, perpetual growth rates and long-term discount rates, all of which require significant judgments by management. As a result of this step one analysis, the Company determined that the carrying value of its Protein and Europe reporting units exceeded their estimated fair values, indicating potential goodwill impairment existed. Having determined that the goodwill of these two reporting units was potentially impaired, the Company performed the second step of the goodwill impairment analysis which involved calculating the implied fair value of its goodwill by allocating the estimated fair value of a reporting unit to its assets and liabilities other than goodwill (including both recognized and unrecognized intangible assets) and comparing the residual amount to the carrying value of goodwill. Based on the results, the Company recognized a pre-tax non-cash goodwill impairment charge of $49,676, including $7,553 attributed to the then minority interest of its Hain Pure Protein joint venture, to write off all of the goodwill related to its Protein and Europe reporting units in the Consolidated Statement of Operations for the three and nine months ended March 31, 2009. The non-cash charge had no impact on the Company s compliance with its debt covenants, cash flows or available liquidity.

In April 2009, the Company was informed by the exclusive customer of its fresh prepared sandwich business in the United Kingdom that the customer s purchases from the Company would be significantly reduced in phases with reductions through April 2010. The Company performed an impairment test on the intangible asset associated with the customer relationship, which was being amortized. The projected undiscounted future cash flows related to this customer relationship were determined to be less than the carrying value, and as a result, the Company recognized a full impairment loss of $2,954 in the third quarter of fiscal 2009.

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The Company has License and Promotion Agreements with Martha Stewart Living Omnimedia, Inc. (MSLO) for the use of the trademark Martha Stewart Clean and the Martha Stewart name in connection with the marketing and sale of natural home cleaning solutions and for the use of the trademark Martha Stewart and the Martha Stewart name in connection with the marketing and sale of certain baking and pasta products. The Company issued 125,636 shares of its common stock in February 2009 and 52,615 shares in October 2009, respectively, in exchange for the use of the trademarks for five-year terms. The fair value of the shares issued was $1,802 and $965, respectively, based on the market price of our common stock on the dates of issuance and is being amortized on a straight-line basis over the respective five-year terms.

Amounts assigned to indefinite-life intangible assets primarily represent the values of trademarks. At June 30, 2011, included in trademarks and other intangible assets on the balance sheet are $55,314 of intangible assets deemed to have a finite life which are being amortized over their estimated useful lives of 3 to 20 years. The following table reflects the components of trademarks and other intangible assets at June 30:

	2011	2010
Non-amortized intangible assets:		
Trademarks and tradenames	$ 186,273	$ 165,260
Amortized intangible assets:		
Other intangibles	55,314	47,385
Less: accumulated amortization	(21,158)	(14,516)
Net carrying amount	$ 220,429	$ 198,129

Amortization expense for the years ended June 30 was as follows:

	2011	2010	2009
Amortization of intangible assets	$ 6,412	$ 3,067	$ 3,219

Expected amortization expense over the next five fiscal years is as follows:

	2012	2013	2014	2015	2016
Estimated amortization expense	$ 6,315	$ 5,721	$ 4,767	$ 4,450	$ 4,134

The weighted average remaining amortization period of amortized intangible assets is 6.9 years.

9. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities consisted of the following:

	2011	2010
Payroll and employee benefits	$ 18,469	$ 7,273
Advertising and trade promotions	17,196	15,379
Contingent consideration	23,901	390
Other	14,318	14,805
	$ 73,884	$ 37,847

10. LONG-TERM DEBT AND CREDIT FACILITY

Long-term debt at June 30 consisted of the following:

	2011	2010
Senior Notes	$ 150,000	$ 150,000
Revolving Credit Agreement borrowings payable to banks	79,000	74,900
Capitalized leases and equipment financing	1,173	142
	230,173	225,042
Current Portion	633	38
	$ 229,540	$ 225,004

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We have $150 million in aggregate principal amount of 10 year senior notes due May 2, 2016 issued in a private placement. The notes bear interest at 5.98%, payable semi-annually on November 2 and May 2. As of June 30, 2011 and 2010, $150,000 of the senior notes was outstanding.

We have a credit agreement which provides us with a $400 million revolving credit facility (the Credit Agreement), expiring in July 2015. Borrowings may be used to provide working capital, finance capital expenditures and permitted acquisitions, refinance certain existing indebtedness and for other corporate purposes. The Credit Agreement contains restrictive covenants usual and customary for facilities of its type, which include, with specified exceptions, limitations on our ability to engage in certain business activities, incur debt, have liens, make capital expenditures, pay dividends or make other distributions, enter into affiliate transactions, consolidate, merge or acquire or dispose of assets, and make certain investments, acquisitions and loans. The Credit Agreement also requires that we satisfy certain financial covenants, such as maintaining a consolidated interest coverage ratio (as defined) of no less than 4.00 to 1.00 and a consolidated leverage ratio (as defined) of no more than 3.50 to 1.00, which consolidated leverage ratio may increase to no more than 4.0 to 1.0 for the twelve-month period following a permitted acquisition. The Credit Agreement may be increased by an additional uncommitted $100 million, provided certain conditions are met. Our obligations under the Credit Agreement are guaranteed by all of our existing and future domestic subsidiaries, subject to certain exceptions.

The Credit Agreement provides that loans will bear interest at rates based on (a) the Eurocurrency Rate, as defined in the Credit Agreement, plus a rate ranging from 1.25% to 3.00% per annum or (b) the Base Rate, as defined in the Credit Agreement, plus a rate ranging from 0.25% to 2.00% per annum, the relevant rate being the Applicable Rate. The Applicable Rate will be determined in accordance with a leverage-based pricing grid, as set forth in the Credit Agreement. Swing line loans will bear interest at the Base Rate plus the Applicable Rate. Additionally, the Credit Agreement contains a Commitment Fee, as defined in the Credit Agreement, on the amount unused under the Credit Agreement ranging from 0.25% to 0.45% per annum. Such Commitment Fee is determined in accordance with a leverage-based pricing grid, as set forth in the Credit Agreement.

Maturities of all debt instruments at June 30, 2011, are as follows:

2012	$ 633
2013	442
2014	86
2015	12
2016	229,000
Thereafter	
	$ 230,173

Interest paid (which approximates the related expense) during the years ended June 30, 2011, 2010 and 2009 amounted to $11,004, $10,216 and $15,048, respectively.

11. INCOME TAXES

The components of income (loss) before income taxes and equity in earnings of equity-method investees for the years ended June 30, 2011, 2010 and 2009 were as follows:

	2011	2010	2009
Domestic	$ 95,048	$ 66,006	$ 25,673
Foreign	(610)	(6,653)	(49,494)
Total	$ 94,438	$ 59,353	$ (23,821)

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The provision for income taxes for the years ended June 30, 2011, 2010 and 2009 is presented below.

	2011	2010	2009
Current:			
Federal	$ 24,878	$ 20,357	$ 7,245
State and local	4,833	2,361	1,591
Foreign	2,437	2,231	(1,022)
	32,148	24,949	7,814
Deferred:			
Federal	4,201	515	558
State and local	501	205	(11)
Foreign	458	3,326	(2,724)
	5,160	4,046	(2,177)
Total	$ 37,308	$ 28,995	$ 5,637

The current tax benefit realized upon the exercise of stock options and the vesting of restricted stock and restricted share units amounted to $6,183 in 2011, $1,487 in 2010 and $1,653 in 2009.

Income taxes paid during the years ended June 30, 2011, 2010 and 2009 amounted to $34,297, $12,335 and $13,903, respectively.

Reconciliations of expected income taxes at the U.S. federal statutory rate of 35% to the Company s provision for income taxes for the years ended June 30 were as follows:

	2011	%	2010	%	2009	%
Expected U.S. federal income tax at statutory rate	$ 33,053	35.0%	$ 20,773	35.0%	$ (8,337)	35.0%
State income taxes, net of federal benefit	3,467	3.7	2,356	4.0	1,574	(6.6)
Non-deductible goodwill impairment					14,247	(59.8)
Domestic manufacturing deduction	(2,191)	(2.3)	(770)	(1.3)	(333)	1.4
Non-deductible compensation	1,278	1.3	1,194	2.0	335	(1.4)
Foreign income at different rates			1,531	2.6	(937)	3.9
Effect of settled tax matters			(1,205)	(2.0)		
Valuation allowances established for UK losses	3,689	3.9	6,354	10.7		
Other	(1,988)	(2.1)	(1,238)	(2.1)	(912)	3.8
Provision for income taxes	$ 37,308	39.5%	$ 28,995	48.9%	$ 5,637	(23.7)%

We have deferred tax benefits related to carryforward losses and deferred tax assets in the United Kingdom of $7,868, against which full valuation allowances have been recorded. These valuation allowances were initially recorded in the third quarter of fiscal 2010 as a result of the Company s evaluation of its United Kingdom tax position in accordance with ASC 740, Accounting for Income Taxes. The Company s United Kingdom subsidiary had recorded historical losses and had been affected by restructuring and other charges in recent years. These losses represented sufficient evidence for management to determine that a full valuation allowance for the deferred tax assets was appropriate under ASC 740. We continue to recognize no tax benefit for losses incurred in the United Kingdom. Under current U.K. tax law, our carryforward losses have no expiration. If the Company is able to realize any of these deferred tax assets in the future, the provision for income taxes will be reduced by a release of the corresponding valuation allowance. Until an appropriate level of profitability is attained, we expect to continue to maintain a valuation allowance on our net deferred tax assets related to future U.K. tax benefits.

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Deferred income taxes reflect the net tax effects of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Components of our deferred tax assets (liabilities) as of June 30 were as follows:

	2011	2010
Current deferred tax assets:		
Basis difference on inventory	$ 4,628	$ 5,206
Reserves not currently deductible	8,853	5,187
Other	512	345
Current deferred tax assets	13,993	10,738
Noncurrent deferred tax liabilities:		
Difference in amortization	(41,746)	(31,441)
Basis difference on property and equipment	(10,997)	(7,695)
Other comprehensive income	(7,678)	(7,775)
Noncurrent deferred tax assets:		
Net operating loss and tax credit carryforwards	14,301	15,214
Stock based compensation	2,705	3,234
Other	927	27
Valuation allowances	(10,427)	(9,847)
Noncurrent deferred tax liabilities, net	(52,915)	(38,283)
	$ (38,922)	$ (27,545)

We have U.S. foreign tax credit carryforwards of $1,552 at June 30, 2011 with various expiration dates through 2020. We have U.S. federal tax net operating losses available for carryforward at June 30, 2011 of $10,901 that were generated by certain subsidiaries prior to their acquisition and have expiration dates through 2028. The use of pre-acquisition operating losses is subject to limitations imposed by the Internal Revenue Code. We do not anticipate that these limitations will affect utilization of the carryforwards prior to their expiration. In addition to the net operating losses in the United Kingdom described above, we also have deferred tax benefits for foreign net operating losses of $2,291 which are available to reduce future income tax liabilities in Belgium and the Netherlands. The Company believes it is more likely than not that these net operating losses will not be realized and a valuation allowance has been established against these deferred tax assets.

The changes in valuation allowances against deferred income tax assets were:

	2011	2010
Balance at beginning of year	$ 9,847	$ 7,701
Additions charged to income tax expense	1,148	3,166
Reductions credited to income tax expense	(1,255)	(755)
Currency translation adjustments	686	(265)
Balance at end of year	$ 10,426	$ 9,847

As of June 30, 2011, the Company had approximately $31,864 of undistributed earnings of foreign subsidiaries for which taxes have not been provided as the Company has invested or expects to invest these undistributed earnings indefinitely. If in the future these earnings are repatriated to the U.S., or if the Company determines such earnings will be remitted in the foreseeable future, additional tax provisions would be required. Due to complexities in the tax laws and the assumptions that would have to be made, it is not practicable to estimate the amounts of income taxes that might be payable if some or all of such earnings were to be remitted.

Unrecognized tax benefits, including interest and penalties, activity for the years ended June 30, 2011, 2010 and 2009 is summarized below:

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	2011	2010	2009
Balance at beginning of year	$ 2,248	$ 2,489	$ 2,268
Additions based on tax positions related to prior years	224	304	430
Reductions for tax positions of prior years		(545)	(209)
Reductions due to lapse of statute of limitations	(1,000)		
Balance at end of year	$ 1,472	$ 2,248	$ 2,489

At June 30, 2011, $1,185 represents that amount that would impact the effective tax rate in future periods if recognized.

The Company records interest and penalties on tax uncertainties as a component of the provision for income taxes. The Company recognized $224 and $113 of interest and penalties related to the above unrecognized benefits within income tax expense for the years ended June 30, 2011 and 2010. The Company had accrued $287 and $282 for interest and penalties at the end of fiscal 2011 and 2010, respectively. In the fourth quarter of fiscal 2011 the Company reduced its reserves by $1,000 as a result of an expiration of the statute of limitations. The Internal Revenue Service completed the examination of our income tax returns for fiscal years 2005 and 2006 in the fourth quarter of fiscal 2010, which resulted in the receipt of a small refund. As a result, the Company reduced its reserves for uncertain tax positions by $400.

The Company and its subsidiaries file income tax returns in the U.S. federal jurisdiction, various U.S. state jurisdictions and several foreign jurisdictions. With few exceptions, the Company is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for years before 2008. Given the uncertainty regarding when tax authorities will complete their examinations and the possible outcomes of their examinations, a current estimate of the range of reasonably possible significant increases or decreases of income tax that may occur within the next twelve months cannot be made.

12. STOCKHOLDERS EQUITY

Preferred Stock

We are authorized to issue blank check preferred stock (up to 5 million shares) with such designations, rights and preferences as may be determined from time to time by the Board of Directors. Accordingly, the Board of Directors is empowered to issue, without stockholder approval, preferred stock with dividends, liquidation, conversion, voting, or other rights which could decrease the amount of earnings and assets available for distribution to holders of our Common Stock. At June 30, 2011 and 2010, no preferred stock was issued or outstanding.

Common Stock Issued

In connection with the acquisition of the assets and business of Three Greek Gods L.L.C. in the first quarter of fiscal 2011, 242,185 shares were issued to the sellers, valued at $4,785. (See Note 5)

In connection with the acquisition of the assets and business of World Gourmet Marketing L.L.C. in the fourth quarter of fiscal 2010, 1,558,442 shares were issued to the sellers, valued at $35,392. (See Note 5)

Accumulated Other Comprehensive Income (Loss)

Accumulated other comprehensive income (loss) as reflected on the balance sheet at June 30 consisted of the following:

	2011	2010	2009
Foreign currency translation adjustment	$ 7,903	$ (6,738)	$ 2,313
Unrealized loss on available for sale securities	(187)	(285)	(745)
Deferred gains (losses) on hedging instruments	(572)	152	201
Total accumulated other comprehensive income	$ 7,144	$ (6,871)	$ 1,769

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13. STOCK BASED COMPENSATION AND INCENTIVE PERFORMANCE PLANS

The Company has two shareholder-approved plans, the 2002 Long-Term Incentive and Stock Award Plan and the 2000 Directors Stock Plan, under which the Company s officers, senior management, other key employees, consultants and directors may be granted options to purchase the Company s common stock or other forms of equity-based awards.

2002 Long-Term Incentive and Stock Award Plan, as amended. In November 2002, our stockholders approved the 2002 Long-Term Incentive and Stock Award Plan. An aggregate of 1,600,000 shares of common stock were originally reserved for issuance under this plan. At various Annual Meetings of Stockholders, including the 2010 Annual Meeting, the plan was amended to increase the number of shares issuable to 10,250,000 shares. The plan provides for the granting of stock options, stock appreciation rights, restricted shares, restricted share units, performance shares, performance share units and other equity awards to employees, directors and consultants. Awards denominated in shares of common stock other than options and stock appreciation rights will be counted against the available share limit as 2.07 shares for every one share covered by such award. All of the options granted to date under the plan have been incentive or non-qualified stock options providing for the exercise price equal to the fair market price at the date of grant. Effective December 1, 2005, stock option awards granted under the plan expire seven years after the date of grant; options granted prior to this date expired ten years after the date of grant. Options and other stock-based awards vest in accordance with provisions set forth in the applicable award agreements. No awards shall be granted under this plan after December 1, 2015. During fiscal year 2009, options to purchase 816,574 shares were granted under this plan with an estimated fair value of $3.62 per share. In addition, 209,806 shares of restricted stock were granted during fiscal 2009. During fiscal year 2010, options to purchase 173,289 shares were granted under this plan with an estimated fair value of $6.03 per share. In addition, 119,436 shares of restricted stock were granted during fiscal 2010. During fiscal year 2011, there were no options granted under this plan. There were 241,324 shares of restricted stock and restricted stock units granted during fiscal 2011. Included in this grant were 183,449 restricted shares and restricted stock units granted under the Company s 2011-2012 Long-term Incentive Plan, 122,841 of which are subject to the achievement of minimum performance goals established under that plan (see Long-term Incentive Plan, below). At June 30, 2011, 2,656,308 options and 347,064 unvested restricted shares and restricted stock units were outstanding under this plan and there were 3,508,508 options available for grant under this plan.

2000 Directors Stock Plan, as amended. In May 2000, our stockholders approved the 2000 Directors Stock Option Plan. The plan originally provided for the granting of stock options to non-employee directors to purchase up to an aggregate of 750,000 shares of our common stock. In December 2003, the plan was amended to increase the number of shares issuable by 200,000 shares to 950,000 shares. In March 2009, the plan was amended to permit the granting of restricted shares, restricted share units and dividend equivalents and was renamed. All of the options granted to date under the plan have been non-qualified stock options providing for the exercise price equal to the fair market price at the date of grant. Effective December 1, 2005, stock option awards granted under the plan expire seven years after the date of grant; options granted prior to this date expire ten years after the date of grant. During fiscal years 2009, 2010 and 2011, no options were granted under this plan. During fiscal years 2009, 2010 and 2011, 35,000 restricted shares, 38,750 restricted shares and 31,500 restricted shares, respectively, were granted under the plan. At June 30, 2011, 217,500 options and 60,167 unvested restricted shares were outstanding and there were 90,795 options available for grant under this plan.

At June 30, 2011 there were also 623,944 options outstanding that were granted under three other prior Hain and Celestial Seasonings plans. Although no further awards can be granted under those plans, the options outstanding continue in accordance with the terms of the respective plans.

There were 7,504,286 shares of Common Stock reserved for future issuance in connection with stock based awards as of June 30, 2011.

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Compensation cost and related income tax benefits recognized in the Company s consolidated statements of operations for share-based compensation plans were as follows:

	Years ended June 30,		
	2011	2010	2009
Compensation cost (included in selling, general and administrative expense)	$ 9,031	$ 6,979	$ 7,211
Related income tax benefit	$ 3,077	$ 2,153	$ 2,069

Stock Options

A summary of our stock option activity for the three years ended June 30, 2011 follows:

	2011	Weighted Average Exercise Price	2010	Weighted Average Exercise Price	2009	Weighted Average Exercise Price
Outstanding at beginning of year	5,153,233	$ 20.42	5,568,667	$ 20.64	6,094,221	$ 21.55
Granted			173,289	$ 18.20	816,574	$ 11.76
Exercised	(899,681)	$ 19.91	(126,713)	$ 16.88	(309,737)	$ 17.06
Cancelled	(755,800)	$ 35.25	(462,010)	$ 24.28	(1,032,391)	$ 20.25
Outstanding at end of year	3,497,752	$ 17.35	5,153,233	$ 20.42	5,568,667	$ 20.64
Options exercisable at end of year	2,811,784	$ 17.44	4,072,092	$ 21.10	4,308,963	$ 21.33

For the years ended June 30,

	2011	2010	2009
Intrinsic value of options exercised	$ 10,275	$ 373	$ 2,642
Cash received from stock option exercises	$ 17,912	$ 2,139	$ 5,283
Tax benefit recognized from stock option exercises	$ 3,930	$ 140	$ 982

For options outstanding at June 30, 2011, the aggregate intrinsic value (the difference between the closing stock price on the last day of trading in the year and the exercise price) was $56,007 and the weighted average remaining contractual life was 3.6 years. For options exercisable at June 30, 2011, the aggregate intrinsic value was $44,773 and the weighted average remaining contractual life was 3.4 years. At June 30, 2011 there was $2,404 of unrecognized compensation expense related to stock option awards, which will be recognized over a weighted average period of approximately 1.5 years.

The fair value of stock options granted is estimated using the Black-Scholes option pricing model. The weighted average assumptions were as follows:

	2010	2009
Risk-free rate	2.38%	1.90%
Expected volatility	34.20%	32.20%
Expected life	4.75 years	4.75 years
Dividend yield	0.0%	0.0%
Fair value at grant date	$ 6.03	$ 3.62

Restricted stock

Awards of restricted stock may be either grants of restricted stock or restricted share units that are issued at no cost to the recipient. For restricted stock grants, at the date of grant the recipient has all rights of a stockholder, subject to certain restrictions on transferability and a risk of forfeiture. For restricted share units, legal ownership of the shares is not transferred to the employee until the unit vests. Restricted stock and restricted share unit grants vest in accordance with provisions set forth in the applicable award agreements, which may include performance criteria for

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certain grants. The compensation cost of these awards is determined using the fair market value of the Company s common stock on the date of the grant. Compensation expense for restricted stock awards with a service condition is recognized on a straight-line basis over the vesting term. Compensation expense for restricted stock awards with a performance condition is recorded when the achievement of the performance criteria is probable and is recognized over the performance and vesting service periods.

Non-vested Restricted Stock Activity Non-vested restricted stock and restricted share unit awards at June 30, 2011 and activities during fiscal 2011, 2010 and 2009 were as follows:

	2011	Weighted Average Grant Date Fair Value (per share)	2010	Weighted Average Grant Date Fair Value (per share)	2009	Weighted Average Grant Date Fair Value (per share)
Outstanding at beginning of year	410,553	$ 19.93	489,878	$ 21.73	409,004	$ 30.14
Granted	272,824	$ 26.10	158,186	$ 18.26	244,806	$ 12.76
Vested	(256,554)	$ 22.17	(209,398)	$ 23.24	(158,058)	$ 29.27
Forfeited	(19,592)	$ 22.47	(28,113)	$ 17.31	(5,874)	$ 29.99
Outstanding at end of year	407,231	$ 22.43	410,553	$ 19.93	489,878	$ 21.73

For the years ended June 30,

	2011	2010	2009
Fair value of restricted stock and restricted stock units granted	$ 7,121	$ 2,889	$ 3,124
Fair value of shares vested	$ 5,689	$ 3,636	$ 2,381
Tax benefit recognized from restricted shares vesting	$ 2,253	$ 1,347	$ 671

At June 30, 2011, $6,341 of unrecognized stock-based compensation expense, net of estimated forfeitures, related to non-vested restricted stock awards is expected to be recognized over a weighted-average period of approximately 1.6 years.

Long-Term Incentive Plan

The Company adopted, beginning in fiscal 2010, a long-term incentive program, (the LTI Plan). The LTI Plan currently consists of two-year performance-based long-term incentive plans (currently, the 2010-2011 LTIP and the 2011-2012 LTIP) that provide for a combination of equity grants and performance awards that can be earned over each two year period. Participants in the LTI Plan include our executive officers, including the Chief Executive Officer, and certain other key executives.

The Compensation Committee administers the LTI Plan and is responsible for, among other items, establishing the target values of awards to participants and selecting the specific performance factors for such awards. At the end of each performance period, the Compensation Committee determines, at its sole discretion, the specific payout to each participant. Such awards may be paid in cash and/or shares of the Company at the discretion of the Compensation Committee.

Upon the adoption of each two year plan, the Compensation Committee granted an initial award to each participant in the form of equity-based instruments (either restricted stock or stock options), for a portion of the individual target awards. These grants are subject to time vesting requirements, and a portion of the 2011-2012 LTIP related grant are also subject to the achievement of the minimum performance goals. These initial grants are being expensed over the vesting period on a straight-line basis. The payment of the actual awards earned, if any, will be reduced by the value of this initial grant. The Company has determined that the achievement of certain of the performance goals was probable and, accordingly, recorded $9,239 and $335 of expense in addition to the stock based compensation expense for the years ended June 30, 2011 and 2010, respectively, related to these awards. It is the Company s expectation that such awards will be settled in cash, and therefore the impact of these awards has been excluded from

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the diluted EPS calculation.

14. EQUITY INVESTMENTS

Equity method investments

At June 30, 2011, the Company owned 48.7% of its Hain Pure Protein joint venture. This investment is accounted for under the equity method of accounting (see Note 2). The carrying value of our investment of $23,107 and advances to HPP of $17,083 are included on the consolidated balance sheet in Investment in and advances to equity-method investees. The Company previously provided advances to HPP when it was a consolidated subsidiary to finance its operations. Simultaneously with the dilution of the Company s interest in HPP and its deconsolidation, HPP entered into a separate credit agreement. The Company and HPP entered into a subordination agreement covering the outstanding advances at the date of deconsolidation. The subordination agreement allows for prepayments of the advances based on HPP s meeting certain conditions under its credit facility. HPP repaid $3,000 of the advances in the year ended June 30, 2011. The balance of the advances are due no later than December 31, 2012.

In October 2009, the Company formed a joint venture, Hutchison Hain Organic Holdings Limited (HHO), with Hutchison China Meditech Ltd. (Chi-Med), a majority owned subsidiary of Hutchison Whampoa Limited, to market and distribute co-branded infant and toddler feeding products and market and distribute selected Hain Celestial brands in Hong Kong, China and other markets. The Company s investment in its 50% share of the joint venture totaled approximately $177. In addition, the Company and Chi-Med each advanced $3,800 to the joint venture for working capital needs during the year ended June 30, 2011. Voting control of the joint venture is shared equally between the Company and Chi-Med, although, in the event of a deadlock, Chi-Med has the ability to cast the deciding vote. The investment is being accounted for under the equity method of accounting. For the years ended June 30, 2011 and 2010, the joint venture s results of operations were not significant.

Available-For-Sale Securities

The Company has a less than 1% equity ownership interest in Yeo Hiap Seng Limited (YHS), a Singapore based natural food and beverage company listed on the Singapore Exchange, which is accounted for as an available-for-sale security. The fair value of this security was $6,390 at June 30, 2011 and $6,232 at June 30, 2010. The fair value of this investment is included in Other assets in the Company s condensed consolidated balance sheets. During the second quarter of fiscal 2010, the Company determined that an other-than-temporary decline in the fair value of YHS occurred based upon various factors including the near-term prospects of YHS, the length of time the investment was in an unrealized loss position, and publicly available information about the industry and geographic region in which YHS operates and, accordingly recorded a loss of $1,210 on the write-down of this investment, which is included in Interest and other expenses, net . At June 30, 2011, the fair value of the security decreased by an additional $306. The Company concluded that the additional decline in the investment is temporary and, accordingly, has recorded the unrealized loss, net of tax, in Accumulated other comprehensive income in the stockholders equity section of the condensed consolidated balance sheet.

15. FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

The Company s financial assets and liabilities measured at fair value are required to be grouped in one of three levels. The levels prioritize the inputs used to measure the fair value of the assets or liabilities. These levels are:

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability;

Level 3 Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e. supported by little or no market activity).

The following table presents assets and (liabilities) measured at fair value on a recurring basis as of June 30, 2011:

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	Total	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets:				
Cash equivalents	$ 7,300		$ 7,300	
Available for sale securities	6,390	$ 6,390		
	$ 13,690	$ 6,390	$ 7,300	
Liabilities:				
Derivatives designated as hedging instruments:				
Forward foreign currency contracts	$ 766		$ 766	
Contingent consideration	37,145			$ 37,145
Total	$ 37,911		$ 766	$ 37,145

The following table presents assets and liabilities measured at fair value on a recurring basis as of June 30, 2010:

	Total	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets:				
Cash equivalents	$ 10,586		$ 10,586	
Available for sale securities	6,232	$ 6,232		
Derivatives designated as hedging instruments:				
Forward foreign currency contracts	256		256	
	$ 17,074	$ 6,232	$ 10,842	
Liabilities:				
Derivatives designated as hedging instruments:				
Forward foreign currency contracts	$ 57		$ 57	
Contingent consideration	28,580			$ 28,580
Total	$ 28,637		$ 57	$ 28,580

Available for sale securities consist of the Company s investment in YHS (see Note 14). Fair value is measured using the market approach based on quoted prices. The Company utilizes the income approach to measure fair value for its foreign currency forward contracts. The income approach uses pricing models that rely on market observable inputs such as yield curves, currency exchange rates, and forward prices.

In connection with the acquisitions of the assets and business of 3 Greek Gods, LLC in July 2010, the assets and business of World Gourmet Marketing LLC in June 2010, GG UniqeFiber AS in January 2011 and Churchill Products Limited in June 2010, payment of a portion of the respective purchase prices are contingent upon the achievement of certain operating results. We estimated the original fair value of the contingent consideration as the present value of the expected contingent payments, determined using the weighted probabilities of the possible payments. We are required to reassess the fair value of contingent payments on a periodic basis. During the fiscal year ended June 30, 2011, the Company reassessed the fair value of the contingent consideration for each of these acquisitions, resulting in additional expense of $443 related to the Greek Gods acquisition and a reduction of expense of $4,620 related to the World Gourmet acquisition (See Note 5).

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The following table summarizes the Level 3 activity:

Year ended June 30,	2011	2010
Balance at beginning of year	$ 28,580	
Accretion of interest expense on contingent consideration	1,691	
Fair value of initial contingent consideration	25,950	$ 28,580
Contingent consideration adjustment expense	(4,177)	
Contingent consideration paid	(15,400)	
Translation adjustment	501	
Balance at end of year	$ 37,145	$ 28,580

There were no transfers of financial instruments between the three levels of fair value hierarchy during the years ended June 30, 2011 or 2010.

Derivative Financial Instruments

Cash Flow Hedges Foreign Exchange Contracts

The Company utilizes foreign currency contracts to hedge forecasted transactions, primarily intercompany transactions, on certain foreign currencies and designates these derivative instruments as foreign currency cash flow hedges when appropriate. Derivative financial instruments are not used for speculative purposes. The notional and fair value amounts of the Company s foreign exchange derivative contracts at June 30, 2011 and 2010 were $13,650 and $766 of net liabilities and $13,450 and $199 of net assets, respectively. The fair value of these derivatives is included on the Company s consolidated balance sheets in accrued expenses at June 30, 2011 and 2010. For these derivatives, which qualify as hedges of probable forecasted cash flows, the effective portion of changes in fair value is temporarily reported in Accumulated Other Comprehensive Income (OCI) and recognized in earnings when the hedged item affects earnings. These foreign exchange contracts have maturities over the next 13 months.

The Company assesses effectiveness at the inception of the hedge and on a quarterly basis. These assessments determine whether derivatives designated as qualifying hedges continue to be highly effective in offsetting changes in the cash flows of hedged items. Any ineffective portion of change in fair value is not deferred in accumulated OCI and is included in current period results. For the years ended June 30, 2011 and 2010, the impact of hedge ineffectiveness on earnings was not significant. The Company will discontinue cash flow hedge accounting when the forecasted transaction is no longer probable of occurring on the originally forecasted date or when the hedge is no longer effective. There were no discontinued foreign exchange hedges for the years ended June 30, 2011 and 2010.

The impact on Other Comprehensive Income (OCI) from foreign exchange contracts that qualified as cash flow hedges for the fiscal years ended June 30, 2011 and 2010 were as follows:

Year ended June 30,	2011	2010
Net carrying amount at beginning of year	$ 152	$ 201
Cash flow hedges deferred in OCI	(975)	(81)
Change in deferred taxes	251	32
Net carrying amount at end of year	$ (572)	$ 152

16. COMMITMENTS AND CONTINGENCIES

Lease commitments and rent expense

The Company leases office, manufacturing and warehouse space. These leases provide for additional payments of real estate taxes and other operating expenses over a base period amount.

The aggregate minimum future lease payments for these operating leases at June 30, 2011, are as follows:

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2011	$ 9,239
2012	4,866
2013	3,021
2014	1,970
2015	1,287
Thereafter	2,523
	$ 22,906

Rent expense charged to operations for the years ended June 30, 2011, 2010 and 2009 was $10,332, $8,077 and $9,937, respectively.

Legal proceedings

From time to time, we are involved in litigation incidental to the ordinary conduct of our business. Disposition of pending litigation related to these matters is not expected by management to have a material adverse effect on our business, results of operations or financial condition.

17. DEFINED CONTRIBUTION PLANS

We have a 401(k) Employee Retirement Plan (Plan) to provide retirement benefits for eligible employees. All full-time employees of the Company and its wholly-owned domestic subsidiaries are eligible to participate upon completion of 30 days of service. On an annual basis, we may, in our sole discretion, make certain matching contributions. For the years ended June 30, 2011 and 2010, we made contributions to the Plan of $418 and $278, respectively. There was no contribution made for the year ended June 30, 2009.

Our subsidiary, Hain-Celestial Canada, ULC, has a Registered Retirement Employee Savings Plan for those employees residing in Canada. Employees of Hain Celestial Canada who meet eligibility requirements may participate in that plan.

18. SEGMENT INFORMATION

Our company is engaged in one business segment: the manufacturing, distribution, marketing and sale of natural and organic products. We define business segments as components of an enterprise about which separate financial information is available that is evaluated on a regular basis by our chief operating decision maker (CODM). Our chief operating decision maker is the Company s Chief Executive Officer. Characteristics of our operations which are relied on in making this determination include the similarities apparent in the Company s products in the natural and organic consumer markets, the commonality of the Company s customers across brands, the Company s unified marketing strategy, and the nature of the financial information used by the CODM, described below, other than information on sales and direct product costs, by brand. In making decisions about resource allocation and performance assessment, the Company s CODM focuses on sales performance by brand using internally generated sales data as well as externally developed market consumption data acquired from independent sources, and further reviews certain data regarding standard costs and standard gross margins by brand. In making these decisions, the CODM receives and reviews certain Company consolidated quarterly and year-to-date information; however, the CODM does not receive or review any discrete financial information by geographic location, business unit, subsidiary, division or brand. The CODM reviews and approves capital spending on a Company consolidated basis rather than at any lower unit level.

The Company s sales by product category are as follows:

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	2011	2010	2009
Grocery	$ 688,097	$ 593,393	$ 582,061
Snacks	196,390	94,828	91,713
Tea	99,120	90,508	86,583
Personal care	105,649	92,769	119,068
Protein (1)			165,727
Other	41,001	45,839	77,582
	$ 1,130,257	$ 917,337	$ 1,122,734

(1) Net sales of protein products for the years ended June 30, 2011 and 2010 are no longer included in the Company s results as they are related to HPP, which was deconsolidated as of June 30, 2009. See Note 2.

The other category in the above table includes, but is not limited to, sales in such product categories as, meat alternative products and fresh prepared foods. Sales of each of these categories were less than 10% of total sales in each year.

Outside the United States, we primarily conduct business in Canada and Europe. Selected information related to our operations by geographic area is as follows:

Years ended June 30,	2011	2010	2009
Net sales:			
United States (1)	$ 910,095	$ 722,211	$ 914,875
Canada	71,041	63,205	54,807
Europe	149,121	131,921	153,052
	$ 1,130,257	$ 917,337	$ 1,122,734
Income (loss) before income taxes, equity in earnings of equity-method investees and loss attributable to non-controlling interest:			
United States (1) (2)	$ 95,371	$ 66,312	$ 25,673
Canada	7,805	5,608	3,955
Europe (2)	(8,738)	(12,567)	(53,449)
	$ 94,438	$ 59,353	$ (23,821)

As of June 30,	2011	2010
Long-lived assets:		
United States	$ 821,169	$ 798,116
Canada	65,952	60,748
Europe	75,317	25,406
	$ 962,438	$ 884,270

(1) Includes net sales of $165,727 and losses before income taxes of $22,282 for the year ended June 30, 2009 related to HPP, which was deconsolidated as of June 30, 2009. See Note 2.

(2) Earnings (loss) before income taxes in 2009 include non-cash impairment charges for goodwill and other intangibles of $7,647 in the United States and $44,983 in Europe.

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Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure
None.

Item 9A. Controls and Procedures
Evaluation of Disclosure Controls and Procedures

Our Chief Executive Officer and Chief Financial Officer have reviewed our disclosure controls and procedures as of the end of the period covered by this report. Based upon this review, these officers concluded that, as of the end of the period covered by this report, our disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is (1) recorded, processed, summarized and reported, within the time periods specified in the SEC s rules and forms and (2) accumulated and communicated to our management, including our Chief Executive Officer and our Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Management s Report on Internal Control over Financial Reporting

Management, including our Chief Executive Officer and our Chief Financial Officer, is responsible for establishing and maintaining adequate internal control over financial reporting. The Company s internal control system was designed to provide reasonable assurance to the Company s management and board of directors regarding the preparation and fair presentation of the published financial statements in accordance with generally accepted accounting principles.

The Company acquired substantially all of the assets and business of 3 Greek Gods LLC (Greek Gods) on July 2, 2010 and GG UniqueFiber AS (GG) on January 28, 2011 and Danival AS (Danival) on February 4, 2011. We have excluded Greek Gods, GG and Danival from our assessment of and conclusion on the effectiveness of the Company s internal control over financial reporting as of June 30, 2011. Greek Gods, GG and Danival accounted for less than 3 percent of our consolidated assets as of June 30, 2011 and less than 4 percent of our consolidated net sales for the year ended June 30, 2011.

Management assessed the effectiveness of our internal control over financial reporting as of June 30, 2011. In making this assessment, management used the criteria set forth by the Committee on Sponsoring Organizations of the Treadway Commission in *Internal Control Integrated Framework*.

Based on our assessment, we believe that, as of June 30, 2011, our internal control over financial reporting is effective based on those criteria.

The Company s internal control over financial reporting as of June 30, 2011 has been audited by Ernst & Young LLP, the independent registered public accounting firm who also audited the Company s consolidated financial statements. Ernst & Young s attestation report on management s assessment of the Company s internal control over financial reporting follows.

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Report of Independent Registered Public Accounting Firm

The Stockholders and Board of Directors of

The Hain Celestial Group, Inc. and Subsidiaries

We have audited The Hain Celestial Group, Inc. and Subsidiaries (the Company) internal control over financial reporting as of June 30, 2011, based on criteria established in Internal Control Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). The Company s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management s Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company s internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As indicated in the accompanying Management s Report on Internal Control over Financial Reporting, management s assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of 3 Greek Gods LLC (Greek Gods) acquired on July 2, 2010, GG UniqueFiber AS (GG UniqueFiber) acquired on January 28, 2011 and Danival SAS (Danival) acquired on February 4, 2011, which are included in the 2011 consolidated financial statements of the Company and constituted less than 3 percent of total assets (excluding cost in excess of net assets of companies acquired recorded in connection with these acquisitions) as of June 30, 2011 and less than 4 percent of revenues, for the year then ended. Our audit of internal control over financial reporting of the Company also did not include an evaluation of the internal control over financial reporting of Greek Gods, GG UniqueFiber and Danival.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of June 30, 2011, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of The Hain Celestial Group, Inc. and Subsidiaries as of June 30, 2011 and 2010, and the related consolidated statements of operations, stockholders equity, and cash flows for each of the three years in the period ended June 30, 2011 of the Company and our report dated August 29, 2011 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Jericho, New York

August 29, 2011

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Changes in Internal Control over Financial Reporting.

There was no change in our internal control over financial reporting that occurred during the fourth fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information
Not applicable.

PART III

Item 10, Directors, Executive Officers and Corporate Governance of the Registrant, Item 11, Executive Compensation, Item 12, Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters, Item 13, Certain Relationships and Related Transactions, and Director Independence and Item 14, Principal Accountant Fees and Services have been omitted from this report inasmuch as the Company will file with the Securities and Exchange Commission pursuant to Regulation 14A within 120 days after the end of the fiscal year covered by this report a definitive Proxy Statement for the 2011 Annual Meeting of Stockholders of the Company, at which meeting the stockholders will vote upon the election of the directors. This information in such Proxy Statement is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules
(a) (1) Report of Independent Registered Public Accounting Firm

Consolidated Balance Sheets - June 30, 2011 and 2010
Consolidated Statements of Operations - Years ended June 30, 2011, 2010 and 2009

Consolidated Statements of Stockholders Equity - Years ended June 30, 2011, 2010 and 2009

Consolidated Statements of Cash Flows - Years ended June 30, 2011, 2010 and 2009

Notes to Consolidated Financial Statements

(2) List of Financial Statement Schedules

Valuation and Qualifying Accounts (Schedule II)

(3) List of Exhibits

3.1 Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 of Amendment No. 1 to the Registrant s Registration Statement on Form S-4 (Commission File No. 333-33830) filed with the Commission on April 24, 2000).

3.2 Amended and Restated Bylaws (incorporated by reference to Exhibit 3.2 of the Form 8-K filed with the Commission on November 22, 2010).

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4.1	Specimen of common stock certificate (incorporated by reference to Exhibit 4.1 of Amendment No. 1 to the Registrant s Registration Statement on Form S-4 (Commission File No. 333-33830) filed with the Commission on April 24, 2000).
4.2	Note Purchase Agreement, dated as of May 2, 2006, by and among the Registrant and the several purchasers named therein (incorporated by reference to Exhibit 10.2 of the Registrant s Current Report on Form 8-K filed with the Commission on May 4, 2006).
4.3	Form of Senior Note under Note Purchase Agreement dated as of May 2, 2006 (incorporated by reference to Exhibit 4.7 of the Registrant s Annual Report on Form 10-K for the fiscal year ended June 30, 2006, filed with the Commission on September 13, 2006).
10.1	Credit Agreement, dated as of July 6, 2010, by and among the Registrant, Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer, Wells Fargo Bank, N.A. and Capital One, N.A.,, as Syndication Agents, HSBC Bank USA, N.A. and First Pioneer Farm Credit, ACA , as Documentation Agents, and the lenders party thereto (incorporated by reference to Exhibit 10.1 of the Registrant s Current Report on Form 8-K filed with the Commission on July 9, 2010).
10.2	Amended and Restated 1994 Long Term Incentive and Stock Award Plan (incorporated by reference to Annex F to the Joint Proxy Statement/Prospectus contained in the Registrant s Registration Statement on Form S-4 (Commission File No. 333-33830) filed with the Commission on April 24, 2000).
10.3	1996 Directors Stock Option Plan (incorporated by reference to Appendix A to the Registrant s Notice of Annual Meeting of Stockholders and Proxy Statement dated November 4, 1996).
10.4	2000 Directors Stock Plan (incorporated by reference to Annex A to the Registrant s Notice of Annual Meeting of Stockholders and Proxy Statement dated February 18, 2009).
10.5	Amended and Restated 2002 Long Term Incentive and Stock Award Plan (incorporated by reference to Exhibit 10.1 to the Registrant s Current Report on Form 8-K filed with the Commission on November 22, 2010).
10.6	2010-2014 Executive Incentive Plan (incorporated by reference to Exhibit 10.1 to the Registrant s Current Report on Form 8-K filed with the Commission on November 25, 2009).
10.7	Employment Agreement between the Registrant and Irwin D. Simon, dated July 1, 2003 (incorporated by reference to Exhibit 10.1 of the Registrant s Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2003, filed with the Commission on November 14, 2003), as amended as described in the Registrant s Current Report on Form 8-K filed with the Commission on November 3, 2006.
10.7.1	Amendment to Employment Agreement between the Company and Irwin D. Simon, dated as of December 31, 2008 (incorporated by reference to Exhibit 10.1 to the Registrant s Current Report on Form 8-K filed with the Commission on January 7, 2009).
10.7.2	Amendment to Employment Agreement between the Registrant and Irwin D. Simon, dated as of July 1, 2009 (incorporated by reference to Exhibit 10.1 of the Registrant s Current Report on Form 8-K, filed with the Commission on July 2, 2009).
10.8	Form of Indemnification Agreement (incorporated by reference to Exhibit 10.1 of the Registrant s Quarterly Report on Form 10-Q for the fiscal quarter ended December 31, 2004, filed with the Commission on February 9, 2005).

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10.9	Form of Change in Control Agreement (incorporated by reference to Exhibit 10.2 of the Registrant s Quarterly Report on Form 10-Q for the fiscal quarter ended December 31, 2004, filed with the Commission on February 9, 2005).
10.10	Form of Option Agreement under the Company s Amended and Restated 2002 Long Term Incentive and Stock Award Plan (incorporated by reference to Exhibit 10.1 to the Registrant s Current Report on Form 8-K/A filed with the Commission on April 7, 2008).
10.11	Form of Option Agreement with the Company s Chief Executive Officer under the Company s Amended and Restated 2002 Long Term Incentive and Stock Award Plan (incorporated by reference to Exhibit 10.2 to the Registrant s Current Report on Form 8-K/A filed with the Commission on April 7, 2008).
10.12	Form of Restricted Stock Agreement under the Company s Amended and Restated 2002 Long Term Incentive and Stock Award Plan (incorporated by reference to Exhibit 10.3 to the Registrant s Current Report on Form 8-K/A filed with the Commission on April 7, 2008).
10.13	Form of Restricted Stock Agreement with the Company s Chief Executive Officer under the Company s Amended and Restated 2002 Long Term Incentive and Stock Award Plan (incorporated by reference to Exhibit 10.4 to the Registrant s Current Report on Form 8-K/A filed with the Commission on April 7, 2008).
10.14	Form of Notice of Grant of Restricted Stock Award under the Company s Amended and Restated 2002 Long Term Incentive and Stock Award Plan (incorporated by reference to Exhibit 10.6 to the Registrant s Current Report on Form 8-K/A filed with the Commission on April 7, 2008).
10.15	Form of the Change in Control Agreements between the Company and each of Ira J. Lamel, John Carroll and Michael J. Speiller (incorporated by reference to Exhibit 10.2 to the Registrant s Current Report on Form 8-K filed with the Commission on January 7, 2009).
10.16	Form of the Offer Letter Amendments between the Company and each of Ira J. Lamel, John Carroll and Michael J. Speiller (incorporated by reference to Exhibit 10.3 to the Registrant s Current Report on Form 8-K filed with the Commission on January 7, 2009).
10.17	Form of Restricted Stock Agreement under the Company s 2000 Directors Stock Plan (incorporated by reference to Exhibit 10.1 to the Registrant s Current Report on Form 8-K filed with the Commission on March 17, 2009).
10.18	Form of Notice of Grant of Restricted Stock Award under the Company s 2000 Directors Stock Plan (incorporated by reference to Exhibit 10.2 to the Registrant s Current Report on Form 8-K filed with the Commission on March 17, 2009).
10.19	Form of Change in Control Agreement (incorporated by reference to Exhibit 10.3 to the Registrant s Quarterly Report on Form 10-Q filed with the Commission on February 9, 2010).
10.20	Form of Option Agreement under the Company s Amended and Restated 2002 Long Term Incentive and Stock Award Plan (incorporated by reference to Exhibit 10.4 to the Registrant s Quarterly Report on Form 10-Q filed with the Commission on February 9, 2010).
10.21	Agreement, dated as of July 7, 2010, between the Company and certain investment funds managed by Carl C. Icahn (incorporated by reference to Exhibit 99.1 to the Registrant s Current Report on Form 8-K filed with the Commission on July 7, 2010).
10.22	Form of Restricted Stock Agreement with the Company s Chief Executive Officer under the Company s Amended and Restated 2002 Long Term Incentive and Stock Award Plan (2011-2012 Long Term Incentive Plan) (incorporated by reference to Exhibit 10.2(a) to the Registrant s Quarterly Report on Form 10-Q filed with the Commission on February 9, 2011).
10.23	Form of Restricted Stock Agreement with the Company s non-CEO executive officers under the Company s Amended and Restated 2002 Long Term Incentive and Stock Award Plan (2011-2012 Long Term Incentive Plan) (incorporated by reference to Exhibit 10.3(a) to the Registrant s Quarterly Report on Form 10-Q filed with the Commission on February 9, 2011).
21.1[(a)]	Subsidiaries of Registrant.
23.1[(a)]	Consent of Independent Registered Public Accounting Firm - Ernst & Young LLP.

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31.1[(a)]	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended.
31.2[(a)]	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended.
32.1[(a)]	Certification by CEO pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2[(a)]	Certification by CFO pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101*	The following materials from the Company s Annual Report on Form 10-K for the year ended June 30, 2011, formatted in eXtensible Business Reporting Language (XBRL): (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Operations, (iii) the Consolidated Statements of Stockholders Equity, (iv) the Consolidated Statements of Cash Flows, (v) Notes to Consolidated Financial Statements, and (vi) Financial Statement Schedule.

[(a)] Filed herewith
* Furnished, not filed.

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The Hain Celestial Group, Inc. and Subsidiaries

Schedule II - Valuation and Qualifying Accounts

Column A	Column B	Column C Additions		Column D	Column E
	Balance at beginning of period	Charged to costs and expenses	Charged to other accounts - describe	Deductions - describe	Balance of end of period
Year Ended June 30, 2011:					
Allowance for doubtful accounts	$ 1,574	$ 249		$ 543(1)	$ 1,280
Valuation allowance for deferred tax assets	$ 9,847	$ 1,148		$ 569(1)	$ 10,426
Year Ended June 30, 2010:					
Allowance for doubtful accounts	$ 1,175	$ 484		$ 85(1)	$ 1,574
Valuation allowance for deferred tax assets	$ 7,701	$ 2,411		$ 265(1)	$ 9,847
Year Ended June 30, 2009:					
Allowance for doubtful accounts	$ 2,068	$ 37		$ 930(1)	$ 1,175
Valuation allowance for deferred tax assets	$ 7,558	$ 322		$ 179(1)	$ 7,701

(1) Amounts written off and changes in exchange rates.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

THE HAIN CELESTIAL GROUP, INC.

By: /s/ IRWIN D. SIMON
Irwin D. Simon
President, Chief Executive Officer and Chairman of the Board of Directors

By: /s/ IRA J. LAMEL
Ira J. Lamel
Executive Vice President and Chief Financial Officer

Date: August 29, 2011

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Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Irwin D. Simon **Irwin D. Simon**	President, Chief Executive Officer and Chairman of the Board of Directors	August 29, 2011
/s/ Ira J. Lamel **Ira J. Lamel**	Executive Vice President and Chief Financial Officer	August 29, 2011
/s/ Michael J. Speiller **Michael J. Speiller**	Senior Vice President-Finance and Chief Accounting Officer	August 29, 2011
/s/ Barry J. Alperin **Barry J. Alperin**	Director	August 29, 2011
/s/ Richard C. Berke **Richard C. Berke**	Director	August 29, 2011
/s/ Jack Futterman **Jack Futterman**	Director	August 29, 2011
/s/ Marina Hahn **Marina Hahn**	Director	August 29, 2011
/s/ Brett Icahn **Brett Icahn**	Director	August 29, 2011
/s/ Roger Meltzer **Roger Meltzer**	Director	August 29, 2011
/s/ David Schechter **David Schechter**	Director	August 29, 2011
/s/ Lewis D. Schiliro **Lewis D. Schiliro**	Director	August 29, 2011
/s/ Lawrence S. Zilavy **Lawrence S. Zilavy**	Director	August 29, 2011