

NEUSTAR INC
Form S-1/A
December 06, 2005

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As filed with the Securities and Exchange Commission on December 6, 2005

Registration No. 333-129700

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
AMENDMENT NO. 2
TO
FORM S-1
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933**

NeuStar, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State of Incorporation)

7375
*(Primary Standard Industrial
Classification Code Number)*

52-2141938
*(I.R.S. Employer Identification
Number)*

**46000 Center Oak Plaza
Sterling, Virginia 20166
(571) 434-5400**
*(Address, Including Zip Code, and Telephone Number,
Including Area Code, of Registrant's Principal Executive Offices)*

**Jeffrey E. Ganek
Chairman and Chief Executive Officer
NeuStar, Inc.
46000 Center Oak Plaza
Sterling, Virginia 20166
(571) 434-5400**
*(Name, Address, Including Zip Code, and Telephone Number,
Including Area Code, of Agent for Service)*

Copies to:

**Stephen I. Glover, Esq.
Gibson, Dunn & Crutcher LLP
1050 Connecticut Ave., NW
Washington, DC 20036
(202) 955-8500**

**Ronald Cami, Esq.
Cravath, Swaine & Moore LLP
825 Eighth Avenue
New York, NY 10019
(212) 474-1000**

Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective.

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, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) 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.

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 post-effective amendment filed pursuant to Rule 462(d) 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

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), shall determine.

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The information in this preliminary prospectus is not complete and may be changed. The selling stockholders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and the selling stockholders are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion. Dated December 6, 2005.

PRELIMINARY PROSPECTUS

**16,870,000 Shares
Class A Common Stock**

The selling stockholders are offering 16,870,000 shares of Class A common stock. We will not receive any of the proceeds from the sale of shares by the selling stockholders.

We have two classes of authorized common stock, Class A common stock and Class B common stock. Our Class B common stock is substantially identical to our Class A common stock, except that the Class B common stock has no public market. Shares of Class B common stock may be exchanged for shares of Class A common stock at any time at the election of the holder.

Our Class A common stock is listed on the New York Stock Exchange under the symbol NSR. The last reported sale price on November 22, 2005 was \$31.22.

	Per Share	Total
Public offering price	\$	\$
Underwriting discounts and commissions	\$	\$
Proceeds, before expenses, to selling stockholders	\$	\$

The underwriters have an option to purchase up to an additional 2,530,500 shares of Class A common stock from the selling stockholders to cover over-allotments at the public offering price less underwriting discounts and commissions. The underwriters expect to deliver the shares to purchasers on .

Investing in our Class A common stock involves risks. See Risk Factors beginning on page 10 to read about factors you should consider before buying shares of our Class A common stock.

Neither the Securities and Exchange Commission nor any state securities commission 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.

JPMorgan	Credit Suisse First Boston	Banc of America Securities LLC
Bear, Stearns & Co. Inc.		UBS Investment Bank
Jefferies Broadview		ThinkEquity Partners LLC

The date of this prospectus is .

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You should rely only on the information contained in this prospectus. We have not, and the selling stockholders and the underwriters have not, authorized anyone to provide you with information different from that contained in this prospectus. The selling stockholders are offering to sell, and seeking offers to buy, shares of our Class A common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of our Class A common stock.

No action is being taken in any jurisdiction outside the United States to permit a public offering of the Class A common stock or possession or distribution of this prospectus in that jurisdiction. Persons who come into possession of this prospectus in jurisdictions outside the United States are required to inform themselves about and to observe any restrictions as to this offering and the distribution of this prospectus applicable to those jurisdictions.

This offering is only being made to persons in the United Kingdom whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the UK Financial Services and Markets Act 2000 (as amended), or FSMA, and each underwriter has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) received by it in connection with the sale of the shares of Class A common stock in circumstances in which section 21(1) of FSMA does not apply to us or the selling stockholders. Each of the underwriters agrees and acknowledges that it has complied and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the shares of Class A common stock in, from or otherwise involving the United Kingdom.

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The shares of Class A common stock offered by this prospectus may not be offered, transferred, sold or delivered to any individual or legal entity other than to persons who trade or invest in securities in the conduct of their profession or trade (which includes banks, securities intermediaries (including dealers and brokers), insurance companies, pension funds, other institutional investors and commercial enterprises which as an ancillary activity regularly invest in securities) in the Netherlands.

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PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. You should read this entire prospectus carefully, especially the risks of investing in our Class A common stock discussed under Risk Factors beginning on page 10 and our consolidated financial statements and related notes, before making an investment decision. Unless otherwise indicated, the information set forth in this prospectus assumes that the underwriters will not exercise their over-allotment option to purchase up to an additional 2,530,500 shares of Class A common stock, and assumes that the Warburg Pincus Entities will exercise all outstanding warrants to acquire 6,361,383 shares of Class A common stock in connection with this offering, with the exercise price of the warrants to be paid in cash.

Overview

We provide the North American communications industry with essential clearinghouse services. We operate the authoritative directories that manage virtually all telephone area codes and numbers, and enable the dynamic routing of calls among thousands of competing communications service providers in the United States and Canada. All communications service providers, or CSPs, that offer telecommunications services to the public at large, or telecommunications service providers, such as Verizon Communications Inc., Sprint Corporation, AT&T Corp. and Cingular Wireless LLC, must access our clearinghouse as one of our customers to properly route virtually all of their customers' calls. We also provide clearinghouse services to emerging CSPs, including Internet service providers, cable television operators, and voice over Internet protocol, or VoIP, service providers. In addition, we manage the authoritative directories for the .us and .biz Internet domains, as well as for Common Short Codes, part of the short messaging service relied upon by the U.S. wireless industry. We are in a unique position with respect to many of the services we offer in that there are no other providers currently providing the services we offer. See Business Competition. With respect to these services, the databases we maintain are the definitive resource for the communications industry, which requires that there be one authoritative source for the information in these databases.

We provide our services from our clearinghouse, which includes unique databases and systems for workflow and transaction processing. Our customers access our clearinghouse databases through standard connections, which we believe is the most efficient and cost-effective way for CSPs to exchange operationally essential data in a secure environment that does not favor any particular customer or technology. In addition, we believe that our clearinghouse positions us well to meet the complex needs of the communications industry going forward. Today, our services allow our customers to manage competitive turnover of their customers, subscriber growth, technology change, network optimization and industry consolidation. Furthermore, we believe our services are essential to the growth of new CSPs and new end-user services as the industry shifts from conventional circuit-switched communications to Internet protocol, or IP, and third generation wireless technology.

We provide the communications industry in North America with critical technology services that solve the addressing, interoperability and infrastructure needs of CSPs. These services are used by CSPs to manage a range of their technical and operating requirements, including:

Addressing. We enable CSPs to use critical, shared addressing resources, such as telephone numbers, Internet top-level domain names and Common Short Codes.

Interoperability. We enable CSPs to exchange and share critical operating data so that communications originating on one provider's network can be delivered and received on the network of another CSP.

Infrastructure and Other. We enable CSPs to more efficiently manage changes in their own networks by centrally managing certain critical data they use to route communications over their own networks.

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Demand Drivers for Our Clearinghouse Services

A number of trends in the communications industry are driving growth in the demand for our clearinghouse services. These trends include:

Emergence of IP services. VoIP service providers are rapidly expanding their operations. The total number of U.S. VoIP customers is expected to grow from 1.1 million in 2004 to 17.7 million in 2007, representing a compound annual growth rate of 155.4%, according to International Data Corporation. The need of VoIP service providers to have access to an inventory of telephone numbers, manage their network architecture and route traffic between traditional voice networks and new IP networks will drive the use of clearinghouse services.

Dynamic growth in wireless. The use of wireless services continues to grow. Not only are more people using wireless phones, but there are entirely new kinds of wireless service providers entering the market, such as mobile virtual network operators. Demand for advanced services, such as third generation wireless technology, is projected to grow at a compound annual rate of 37% from 67 million users in 2004 to 174 million in 2007, according to International Data Corporation. These changes in the wireless industry drive increased demand for clearinghouse services.

Consolidations in the industry, such as Cingular-AT&T Wireless and SBC-AT&T. Consolidation is resulting in significant demand for clearinghouse services. As large, traditional CSPs integrate disparate systems after mergers, they face two critical challenges. First, consolidating CSPs update network addressing information to associate end-users with the consolidated network. This update requires them to employ our addressing and interoperability services. Second, consolidating CSPs optimize their consolidated networks by changing the routing of traffic among their switches. CSPs use our interoperability and infrastructure services to accomplish this change.

Pressure on carriers to reduce costs. Competition has placed significant pressure on CSPs to reduce costs. At the same time, the complexity of back office operations has increased as CSPs work to manage the proliferation of new technologies and new, complex end-user services provided across a large number of independent networks. Clearinghouse services assist CSPs in equipping their back office systems to manage the added complexity of sharing essential data with other CSPs in this environment.

Our Strengths

We believe that we are well positioned to continue to benefit from the ongoing changes in the communications industry that are driving the need for a trusted, neutral clearinghouse. Our competitive strengths include:

Authoritative provider of essential services. We are the authoritative provider for many clearinghouse services, including the addressing and routing functions that are required for the ongoing operation of our customers networks and real-time delivery of services to their end-customers.

Proven, adaptable clearinghouse. We believe that our clearinghouse databases and their open accessibility to CSPs are an efficient and cost-effective means of delivering a broad set of services. We designed our clearinghouse to meet the demanding functional, quality, capacity and security requirements of the changing communications industry.

High degree of integration with our customers. Because our clearinghouse services are integrated into the network operations and service delivery functions of virtually all CSPs, we have an unmatched ability to deliver clearinghouse services to the entire communications industry. We also have the ability to introduce new services to our customers in a cost-effective manner because they already interface with our clearinghouse.

Strong customer relationships. We believe we have excellent relationships with our customers. We strive to maintain a position of trust with our customers by delivering high quality and reliable service; neutral application of all operational methods and procedures; open, honest and timely

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communications at all levels; and a clear understanding of, and responsiveness to, our customers' business and needs.

Long-term contracts. We provide most of our services under long-term contracts and, in most cases, there are no other providers of these services. Under our contracts, we provide number portability services, serve as the North American Numbering Plan Administrator and National Pooling Administrator, and maintain the authoritative directory for Common Short Codes and the .us and .biz Internet domains. We were awarded each of these contracts through a competitive process.

Industry leadership and innovation. We have demonstrated our ability to innovate and create new business opportunities. We led the industry effort to design the architecture that enables local number portability, and we worked with the industry, the FCC and state regulators to establish standards and implement this solution. Through our broad expertise and leadership of industry forums, we have been instrumental in the establishment of standards and technologies that drive additional demand for clearinghouse services.

Predictable revenue, profitability and strong cash flows. As the provider of essential services, we enjoy predictable, transaction-based revenue supported by industry trends. We have been able to introduce new services economically. As a result, we have generated strong operating cash flows.

Our Strategy

Our goal is to strengthen our position as the leading provider of clearinghouse services to the communications industry. We intend to serve our growing market through the following strategies:

Deliver increasing volumes of our existing services to our customers. We believe that customer demand for existing services will continue to grow. From our inception through the end of 2004, our customers used our services to change the routing information associated with 135 million different telephone numbers. Since then, in the first nine months of this year, this number grew 42% to 192 million. We believe that the increase in total cumulative telephone numbers processed demonstrates, among other things, that market forces are driving our customers to manage more of their telephone numbers with NeuStar services, rather than with legacy systems that are less robust and efficient. We will continue to deliver these services in a highly reliable, neutral and trusted manner.

Extend the value of our clearinghouse to address the needs for IP, wireless and advanced communications services. We believe that there will be a large and growing demand for clearinghouse services with the growth in IP, wireless and advanced services. We will continue to innovate and promote the adoption of open industry standards to meet those demands.

Expand our customer base beyond CSPs. We believe IP technology will drive the emergence of complex end-user services that combine data, entertainment and multi-media services, financial transactions and communications. We believe that clearinghouse services will be required to manage the interoperability among data and entertainment providers, transaction providers and CSPs.

Expand our customer base internationally. We believe there is growing demand for clearinghouse services outside of North America. We intend to leverage our established capabilities and operating expertise to add customers around the world. For example, we were selected to develop a number portability solution in Taiwan. We believe similar opportunities for our clearinghouse services exist in other Asian markets as well as in Europe.

Expand the scope of our clearinghouse services and customers through acquisitions. We believe there are opportunities to acquire businesses and technologies that can expand our presence in a customer market segment or augment our clearinghouse services. For example, we intend to acquire companies that provide software solutions that can be favorably transitioned to a clearinghouse.

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Recent Developments

In recent months, we have taken steps to expand our role as the provider of centralized directory services to the communications and Internet community, including:

Telephone number portability in Taiwan. On October 13, 2005, we announced the successful delivery of the first telephone number portability system in Taiwan. This system will disseminate telephone network information used by CSPs to properly route voice and data traffic between networks throughout Taiwan.

Root DNS provider. In September 2005, we signed an agreement with the GSM Association to offer Root Domain Name System (DNS) services to more than 680 Global System for Mobile (GSM) operators and their Global Roaming Exchange (GRX) and Multimedia Messaging (MMS) hubbing providers. These DNS services will allow operators to register private domain names that will be used to retrieve routing information needed to route data and enable multimedia services on roaming or home networks. We do not expect revenue generated under this agreement to be material to our results.

Internet telephony clearinghouse services. In October 2005, we announced an initiative to introduce SIP-IX, the first comprehensive suite of services designed to enable direct network-to-network peering between trading partners for voice, video and content services using Session Initiation Protocol (SIP)-based technologies such as IP multimedia (IMS) and VoIP. We will engage in trials of SIP-IX components in 2006 with network operators, and we expect to enter into revenue-generating engagements following completion of these trials as SIP-IX is contracted and adopted by network operators.

Background

Our business was started in 1996 as an operating division of Lockheed Martin Corporation called the Communications Industry Services group. In 1999, our business was acquired from Lockheed Martin by certain members of our senior management team and an investor group led by affiliates of Warburg Pincus LLC.

Company Information

We were incorporated in Delaware in 1998 to acquire our business from Lockheed Martin. This acquisition was completed in November 1999. Our principal executive offices are located at 46000 Center Oak Plaza, Sterling, Virginia 20166. The telephone number of our principal executive offices is (571) 434-5400, and we maintain a website at www.neustar.biz. Information contained on our website, or that can be accessed through our website, does not constitute a part of this prospectus.

The NeuStar family of related marks, images and symbols are our properties, trademarks and service marks. All other trade names, trademarks and service marks appearing in this prospectus are the property of their respective owners.

Recapitalization Transactions and Initial Public Offering

In connection with the initial public offering of our Class A common stock, all of our outstanding preferred stock was converted into shares of our common stock, we amended our certificate of incorporation to provide for Class A common stock and Class B common stock, we split each share of our common stock into 1.4 shares, and we reclassified our common stock into shares of Class B common stock. Each share of Class B common stock is convertible at the option of the holder into one share of Class A common stock. Our Class A common stock is not convertible. Our Class A common stock and Class B common stock are otherwise identical, except that our Class B common stock is not registered and therefore has no public market. The reclassification was structured to impose on our stockholders the restrictions on ownership and transfer of our capital stock now contained in our certificate of incorporation.

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As of November 1, 2005, stockholders with collective ownership representing approximately 99.3% of our outstanding common stock (based on our outstanding shares of common stock as of September 30, 2005) held Class A common stock, and stockholders with ownership representing approximately 0.7% held Class B common stock. We anticipate that all holders of Class B common stock will ultimately convert their shares to Class A common stock in order to access the public markets, after which no shares of Class B common stock will be outstanding.

Unless otherwise indicated, the information set forth in this prospectus reflects (and, as necessary, gives retroactive effect to) the following events, which occurred on June 28, 2005:

the conversion of all of our outstanding preferred stock into shares of our common stock and payment of the accrued and unpaid dividend in cash to holders of our preferred stock prior to conversion;

the amendments to our certificate of incorporation and bylaws; and

the split of each share of our common stock into 1.4 shares and the reclassification of our common stock into shares of Class B common stock.

In addition, unless otherwise indicated, the information set forth in this prospectus assumes the conversion of all outstanding shares of Class B common stock into shares of Class A common stock.

We refer to these events collectively as the Recapitalization.

On June 29, 2005, we made an initial public offering of our Class A common stock, covering the resale of 31,625,000 shares by selling stockholders. We did not offer any shares for sale in the initial public offering or receive any proceeds of the shares sold by the selling stockholders.

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Summary of the Offering

Class A common stock offered by the selling stockholders	16,870,000 shares
Common stock outstanding after this offering:	
Class A common stock	66,691,629 shares
Class B common stock	449,665 shares
Dividend policy	We currently do not anticipate paying cash dividends on our common stock for the foreseeable future.
Use of proceeds	We will not receive any proceeds from the sale of shares of our Class A common stock by the selling stockholders. We will receive proceeds from the exercise of warrants and options by selling stockholders in connection with this offering.
Restrictions on ownership and transfer	Our Class A common stock is subject to restrictions on ownership and transfer, which generally prohibit a telecommunications service provider or affiliate of a telecommunications service provider from beneficially owning 5% or more of our outstanding capital stock. See Description of Capital Stock Ownership and Transfer Restrictions.
New York Stock Exchange symbol	NSR
<p>The number of shares of Class A common stock to be sold in this offering represents 25.1% of our outstanding capital stock, or 28.8% if the underwriters exercise their over-allotment option in full, based on the number of our shares outstanding as of November 1, 2005, as described in the following paragraph.</p> <p>The number of shares of our Class A common stock to be outstanding following this offering is based on the number of our shares outstanding as of November 1, 2005. This number includes 6,361,383 shares to be acquired upon exercise of warrants by the selling stockholders in connection with this offering, as though such exercise had occurred on November 1, 2005, and excludes:</p> <p style="padding-left: 40px;">9,091,830 shares subject to options exercisable as of November 1, 2005, with a weighted average exercise price of \$2.22 per share;</p> <p style="padding-left: 40px;">4,776,004 shares subject to options outstanding but not exercisable as of November 1, 2005, with a weighted average exercise price of \$9.27 per share;</p> <p style="padding-left: 40px;">5,978,440 additional shares reserved as of November 1, 2005 for future issuance under our stock-based compensation plans; and</p> <p style="padding-left: 40px;">350,000 shares to be issued to an employee on December 18, 2008, and 5,000 shares to be issued to an employee on October 24, 2008, provided each such employee provides continuous service through the vesting date.</p>	

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SUMMARY CONSOLIDATED FINANCIAL DATA

The tables below summarize our consolidated statements of operations data for each of the three years ended December 31, 2004 and the nine months ended September 30, 2004 and 2005, and our consolidated balance sheet data as of December 31, 2002, 2003 and 2004 and September 30, 2005. The summary consolidated statements of operations data for each of the three years ended December 31, 2002, 2003 and 2004, and the summary consolidated balance sheet data as of December 31, 2003 and 2004, have been derived from, and should be read together with, our audited consolidated financial statements and related notes appearing elsewhere in this prospectus. The summary consolidated balance sheet data as of December 31, 2002 have been derived from our audited consolidated financial statements and related notes not included in this prospectus.

The summary consolidated statements of operations data for the nine months ended September 30, 2004 and 2005, and the summary consolidated balance sheet data as of September 30, 2005, have been derived from our unaudited interim consolidated financial statements included elsewhere in this prospectus. The share and per share data included in the summary consolidated statements of operations data for the years ended December 31, 2002, 2003 and 2004 and the nine months ended September 30, 2004 reflect the 1.4-for-1 split of our common stock effected as part of the Recapitalization, but do not reflect other aspects of the Recapitalization.

The pro forma information for the year ended December 31, 2004 and the nine months ended September 30, 2005 gives effect to all aspects of the Recapitalization as though it had occurred on January 1, 2004, except for the conversion of all outstanding shares of Class B common stock into shares of Class A common stock.

The as adjusted consolidated balance sheet data as of September 30, 2005 reflect our payment of offering costs in connection with this offering, excluding underwriting discounts and commissions, of approximately \$1.25 million as if it had occurred on September 30, 2005, and receipt of approximately \$424,000 by us from the exercise of warrants to purchase 6,361,383 shares of our Class A common stock held by some of the selling stockholders, as if such exercise had occurred on September 30, 2005.

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The following information should be read together with, and is qualified in its entirety by reference to, the more detailed information contained in Selected Consolidated Financial Data, Management's Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the related notes included in this prospectus.

	Year Ended December 31,			Nine Months Ended September 30,	
	2002	2003	2004	2004	2005
(in thousands, except per share data)					
Consolidated Statements of Operations Data:					
Revenue:					
Addressing	\$ 32,333	\$ 42,905	\$ 50,792	\$ 37,982	\$ 57,765
Interoperability	20,303	16,003	34,228	25,403	38,819
Infrastructure and other	38,336	52,785	79,981	60,168	82,464
Total revenue	90,972	111,693	165,001	123,553	179,048
Operating expense:					
Cost of revenue (excluding depreciation and amortization shown separately below)	36,677	37,846	49,261	35,410	46,154
Sales and marketing	13,855	14,381	22,743	15,032	21,775
Research and development	6,256	6,678	7,377	5,409	8,540
General and administrative	13,366	11,359	21,144	13,781	22,045
Depreciation and amortization	27,020	16,051	17,285	13,487	11,740
Restructuring charges (recoveries)	7,332	(1,296)	(220)		(389)
Asset impairment charge	13,190				
	117,696	85,019	117,590	83,119	109,865
(Loss) income from operations	(26,724)	26,674	47,411	40,434	69,183
Other (expense) income:					
Interest expense	(6,260)	(3,119)	(2,498)	(1,873)	(1,715)
Interest income	1,876	1,299	1,629	1,100	1,756
(Loss) income before income taxes and minority interest	(31,108)	24,854	46,542	39,661	69,224
Provision for income taxes		836	1,166	(1,504)	27,653
(Loss) income before minority interest	(31,108)	24,018	45,376	41,165	41,571
Minority interest	1,908	10			
Net (loss) income	(29,200)	24,028	45,376	41,165	41,571
Dividends on and accretion of preferred stock	(9,102)	(9,583)	(9,737)	(7,568)	(4,313)

Net (loss) income attributable to common stockholders	\$ (38,302)	\$ 14,445	\$ 35,639	\$ 33,597	\$ 37,258
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Net (loss) income attributable to common stockholders per common share:

Basic	\$ (9.04)	\$ 3.09	\$ 6.33	\$ 6.05	\$ 1.49
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Diluted	\$ (9.04)	\$ 0.31	\$ 0.57	\$ 0.51	\$ 0.54
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Weighted average common shares outstanding:

Basic	4,236	4,680	5,632	5,550	25,016
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Diluted	4,236	76,520	80,237	81,245	76,813
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Pro forma information (unaudited):

Pro forma net income attributable to common stockholders

\$ 45,376	\$ 41,571
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Pro forma net income attributable to common stockholders per common share:

Basic	\$ 0.77	\$ 0.69
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Diluted	\$ 0.62	\$ 0.54
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Pro forma weighted average common shares outstanding:

Basic	59,068	59,857
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Diluted	72,872	76,287
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As of December 31,			As of September 30, 2005	
2002	2003	2004	Actual	As Adjusted