ADVANCED MEDICAL OPTICS INC
Form 424B3
June 06, 2007

Filed Pursuant to Rule 424(b)(3)
Registration No. 333-142563

PROSPECTUS

ADVANCED MEDICAL OPTICS, INC.

Offer to Exchange $250,000,000 of its

7 1/2% Senior Subordinated Notes Due 2017,

Registered under the Securities Act,

for $250,000,000 of its Outstanding Unregistered

7 1/2% Senior Subordinated Notes Due 2017

The exchange offer will expire at 5:00 p.m.,

New York City time, on July 5, 2007, unless extended.

Ø We are offering to exchange $250,000,000 aggregate principal amount of 7 1/2% senior subordinated notes due May 1, 2017, registered under the Securities Act of 1933, as amended (the Securities Act), which are referred to in this prospectus as the new notes, for all $250,000,000 aggregate principal amount of outstanding unregistered 7 1/2% senior subordinated notes due May 1, 2017, which are referred to in this prospectus as the old notes. We use the term notes to refer to both the old notes and the new notes.

Ø The terms of the new notes will be substantially identical to the old notes, which we issued on April 2, 2007, except that the new notes will be registered under the Securities Act and will not be subject to transfer restrictions or registration rights. The old notes were issued in reliance upon an available exemption from the registration requirements of the Securities Act.

Ø We will pay interest on the notes semi-annually in arrears on May 1 and November 1 of each year, commencing on November 1, 2007.

Ø The old notes are, and the new notes will be guaranteed on a senior subordinated basis by certain of our existing domestic subsidiaries and certain of our future subsidiaries.

Ø Subject to the terms of the exchange offer, we will exchange the new notes for all old notes that are validly tendered and not withdrawn prior to the expiration of the exchange offer.

Ø

The exchange of old notes for new notes will not be a taxable transaction for United States federal income tax purposes. You should see the discussion under the heading Material United States federal income tax considerations for more information.

- We will not receive any proceeds from the exchange offer and the issuance of the new notes under the exchange offer will not result in any increase in our outstanding debt.

- We do not intend to apply for the new notes to be listed on any securities exchange or to arrange for quotation on any automated dealer quotation systems.

Investing in the new notes involves risks. You should consider carefully the risk factors beginning on page 12 of this prospectus before tendering your old notes in the exchange offer.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the exchange notes to be distributed in the exchange or passed upon the adequacy or accuracy of this prospectus.

Each broker-dealer that receives new notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of the new notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes received in exchange for old notes if the old notes were acquired by the broker-dealer as a result of market-making activities or other trading activities. We have agreed that, for a period ending on the earlier of (i) 180 days from the date on which this registration statement is declared effective and (ii) the date on which each such broker-dealer has notified us that such broker-dealer has resold all of the new notes acquired by it in the exchange offer, we will make this prospectus available to any broker-dealer for use in connection with any such resale. See Plan of Distribution.

The date of this prospectus is June 6, 2007

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This prospectus incorporates important business and financial information about us that is not included in or delivered with this document. You may obtain a copy of the information incorporated by reference into this prospectus by following the procedures described under the caption Where You Can Find More Information contained elsewhere in this prospectus. In addition, we will provide upon request a free copy of any or all of the documents incorporated by reference into this prospectus (excluding exhibits to such documents unless such exhibits are specifically incorporated by reference) to anyone to whom we provide this prospectus. Written or telephone requests should be directed to Mark Levin, Advanced Medical Optics, Inc., 1700 E. St. Andrew Place, Santa Ana, California 92075 at (714) 247-8465.

You must request documents no later than five business days before you make your investment decision concerning our securities to obtain timely delivery of these documents. In addition, you must request this information by June 27, 2007 or at least five business days in advance of the expiration of the exchange offer.

This prospectus is a part of a Registration Statement on Form S-4 filed with the Securities and Exchange Commission (the Commission). This prospectus does not contain all of the information set forth in the Registration Statement and the exhibits thereto. Statements about the contents of contracts or other documents contained in this prospectus or in any other filing to which we refer you are not necessarily complete. You should review the actual copy of such documents filed as an exhibit to the Registration Statement or such other filing. Copies of the Registration Statement and these exhibits may be obtained from us as indicated above or from the Commission upon payment of the fees prescribed by the Commission. See Where You Can Find More Information.

You should rely only on the information contained in this prospectus or to which we have referred you. We have not authorized anyone to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. You should assume that the information contained in this prospectus is accurate only as of the date on the front cover of this prospectus. Our business, financial condition, results of operations and prospects may have changed since then. We are not making an offer to sell, or soliciting an offer to buy, any of the securities offered by this prospectus in any jurisdiction where the exchange offer is not permitted.

Forward-looking statements

This prospectus and the information incorporated by reference in this prospectus include forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. All statements other than statements of historical fact are forward-looking statements for purposes of this prospectus and the information incorporated by reference herein, including, without limitation, statements as to the product rationalization and reorganization and the other transactions described herein; any predictions of earnings, revenue, expenses or other financial items; any statements of the plans, strategies and objectives of management for future operations; any statements concerning proposed new products; any statements regarding future economic conditions; any statements concerning our future operations, financial condition and prospects; and any statements of assumptions underlying the foregoing. In some cases, you can identify forward-looking statements by terminology such as may, would, could, should, expects, intends, plans, anticipates, believes, estimates, predi potential, likely, continue, or similar words, or expressions of the negative of these terms. These forward-looking statements are only predictions and, accordingly, are subject to substantial risks, uncertainties and assumptions.

Some of the factors that might cause actual results to differ materially from the forward-looking statements made in this prospectus or that might cause us to modify our plans or objectives include, but are not limited to, the following:

- risks associated with our ability to realize the benefits of the IntraLase Corp. (IntraLase) acquisition;
- uncertainties associated with the research and development and regulatory processes;
- our ability to make and successfully integrate acquisitions or enter into strategic alliances;
- exposure to risks associated with doing business outside of the United States, where we conduct a significant amount of our sales and operations;
- foreign currency risks and fluctuation in interest rates;
- our ability to introduce new commercially successful products in a timely and effective manner;
- our ability to maintain a sufficient and timely supply of products we manufacture;
- our reliance on sole source suppliers for raw materials and other products;
- intense competition from companies with substantially more resources and a greater marketing scale;
- risks and expenses associated with our ability to protect our intellectual property rights;
- risks and expenses associated with intellectual property litigation and infringement claims;

- unexpected losses due to product liability claims, product recalls or corrections, or other litigation;
- our ability to maintain our relationships with health care providers;
- risks, uncertainties and delays associated with extensive government regulation of our business, including risks associated with regulatory compliance, quality systems standards, and complaint-handling;
- our ability to attract, hire and retain qualified personnel;

- risks associated with indemnification obligations and potential tax liabilities associated with our spin-off from Allergan;

- our significant debt, which contains covenants limiting our business activities;

- changes in market acceptance of laser vision correction;

- the possibility of long-term side effects and adverse publicity regarding laser correction surgery; and

- the effect of weak or uncertain general economic conditions on the ability of individuals to afford laser vision correction.

Other factors that may cause our actual results to differ from the forward-looking statements contained herein and that may affect our prospects in general are included under the heading Risk factors in this prospectus and in our filings with the SEC.

We caution you that any forward-looking statement reflects only our belief at the time the statement is made. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee our future results, levels of activity, performance or achievements. Except as required by law, we undertake no obligation to update any of the forward-looking statements to reflect events or developments after the date of this prospectus.

Trademarks and tradenames

We own or have rights to use certain trademarks or tradenames that we use in conjunction with the sale of our products, including, without limitation, each of the following: *Advanced Medical Optics®, AMO®, Baerveldt®, blink, Blink-n-Clean®, ClariFlex®, Complete®, Complete MoisturePLUS, Consept®, Consept 1 Step, Custom Vue®, Healon®, Healon5®, Healon GV®, OptiEdge, Oxysept®, Oxysept 1 Step, ReZoom®, Sensar®, Sovereign®, Sovereign Compact, Stabileyes®, Star S4 IR, Tecnis®, Unfolder®, UltraCare®, Ultrazyme®, Verisyse, VISX®, WaveScan®,* and *WhiteStar®*.

As a result of our acquisition of IntraLase Corp., we also own or have rights to the following trademarks or tradenames: *IntraLase®, IntraLase® FS, IntraLASIK®* and *The New Shape of Vision®*.

Summary

This summary highlights some important information about our business and about this prospectus. It does not include all of the information you should consider before deciding to tender your old notes in the exchange offer. Please review this entire prospectus and the information incorporated herein by reference, including the information under the headings Risk factors and Forward-looking statements before you decide to tender your old notes in the exchange offer.

Except as otherwise indicated in this prospectus or as the context may otherwise indicate, in this prospectus the words we, our and us refer to Advanced Medical Optics, Inc. and its subsidiaries. Unless stated otherwise, as used herein, on a pro forma basis or pro forma means after giving effect to the offering, the receipt of borrowings under the new senior credit facility, and the use of proceeds therefrom to acquire IntraLase Corp.

OUR COMPANY

We are a global leader in the development, manufacture and marketing of medical devices for the eye. We have three major product lines: cataract / implant, laser vision correction and eye care. In the cataract/implant market, we focus on the four key products required for cataract surgery foldable intraocular lenses, or IOLs, implantation systems, phacoemulsification systems and viscoelastics. In the laser vision correction market, we market laser systems, diagnostic devices, treatment cards and microkeratomes for use in laser eye surgery. Our eye care product line provides a full range of contact lens care products for use with most types of contact lenses. These products include single-bottle, multi-purpose cleaning and disinfecting solutions, hydrogen peroxide-based disinfecting solutions, daily cleaners, enzymatic cleaners and contact lens rewetting drops. Our products are sold in approximately 60 countries and we have direct operations in over 20 countries. On a pro forma basis for the three months ended March 30, 2007, net sales were $291.0 million and net loss was $0.6 million.

We became an independent, publicly traded company in June 2002 following a spin-off from Allergan, Inc. In June 2004, we completed our acquisition of Pfizer Inc. s surgical ophthalmic business, which expanded our viscoelastic (*Healon*® family of products) and IOL (*Tecnis*®) product offerings, allowing us to offer a more comprehensive portfolio of products required to perform cataract surgery. In May 2005, we acquired VISX Incorporated, the global leader in laser vision correction. As a result of the VISX acquisition, we are a leader in the design, development and delivery of proprietary technologies and systems for laser vision correction of refractive vision disorders.

In April 2007, we completed our acquisition of IntraLase Corp., a leader in femtosecond lasers used in LASIK surgery, for a total consideration of approximately $820 million in cash.

RECENT DEVELOPMENTS

Bausch & Lomb. On May 24, 2007, in response to media reports regarding our interest in entering Bausch & Lomb s go shop process, we announced our plan to enter the go-shop process with the intention of exploring a superior offer for Bausch & Lomb. We will only proceed with a transaction if after conducting thorough due diligence, our Board of Directors determines it is in the best interest of our stockholders. There can be no assurance that the exploration of this opportunity will result in any transaction.

Voluntary Recall of Complete MoisturePlus Multipurpose Solution. On May 25, 2007, in response to information received from the U.S. Centers for Disease Control and Prevention (CDC) regarding eye infections from Acanthamoeba, a naturally occurring water-borne organism which can contribute to serious corneal infections, we announced an immediate and voluntary global recall of our Complete

MoisturePlus contact lens solutions. CDC data made available to us showed that the CDC interviewed 46 patients who had developed Acanthamoeba keratitis since January 2005. Of the patients interviewed, a total of 39 patients were soft contact lens wearers and 21 patients reported using our Complete MoisturePlus products. While we continue to work with the CDC and the U.S. Food and Drug Administration to further assess the data, we are acting with an abundance of caution to voluntarily recall Complete MoisturePlus from the market.

OUR MARKETS AND PRODUCTS

Cataract / Implant Business. The largest segment of the ophthalmic surgical products market is the treatment of cataracts. Cataract extraction via phacoemulsification followed by IOL implantation is one of the most common surgical procedures performed in the United States and most other developed nations. MarketScope estimates that the global cataract surgery market, which includes sales of IOLs, phacoemulsification equipment, viscoelastics and other related products, was approximately $2.6 billion in 2006 and is projected to grow at a compound annual growth rate of approximately 7% from 2006 to 2011.

We focus on four key devices for the cataract surgery market:

- Foldable IOLs Foldable IOLs are artificial lenses used to replace the human lens.

- Implantation Systems Implantation Systems are designed and used specifically to implant IOLs during cataract surgery.

- Phacoemulsification Systems Phacoemulsification Systems use ultrasound during small incision cataract surgery to break apart and remove the cloudy human lens prior to its replacement with an IOL.

- Viscoelastics Viscoelastics provide a barrier of protection for the cornea during phacoemulsification and maintain the shape of the eye during IOL insertion.

Laser Vision Correction. The most common refractive surgery procedure is laser surgery, and the most common surgical technique for treating refractive disorders is laser assisted in-situ keratomileusis, or LASIK. LASIK involves the use of a device to cut a thin corneal flap, which is then pulled back to expose the underlying tissue, which is treated using an excimer laser to achieve vision correction. The most common cutting device is called a microkeratome, but femtosecond lasers, such as those manufactured by IntraLase, are increasingly becoming the standard of care for flap cutting.

Standard LASIK was introduced in the mid 1990 s. In performing Standard LASIK, an ophthalmologist conducts a traditional eye examination to determine the prescription required to correct the patient s vision. Unlike Custom LASIK, Standard LASIK cannot correct higher order refractive errors. The most advanced method of performing laser vision correction is Custom LASIK. Custom LASIK employs a diagnostic evaluation of the eye that measures and visually displays refractive errors in the patient s vision. A map is then created to display information about refractive errors that result in nearsightedness, farsightedness, and astigmatism, as well as information about higher order refractive errors that were not previously measurable. The information is used to generate a personalized treatment plan that is digitally transferred and treated with an excimer laser. The ablation derived from this information is therefore customized to the individual s eye.

The laser vision correction market is estimated at $625 million and is expected to grow in the mid-single digits driven by increasing global affluence, increasing market acceptance internationally and improving technology.

Our laser vision correction products include the following:

- *VISX STAR* Excimer Laser System The *VISX STAR* System is a fully integrated ophthalmic medical device incorporating an excimer laser and a computer-driven workstation.

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- VISX *WaveScan* System The *WaveScan* System is a diagnostic device that uses laser beam technology to measure comprehensive refractive errors of the eye through complex mathematical algorithms to derive comprehensive refractive information about the patient s individual optical system.

- VISX Treatment Cards Our proprietary treatment cards control the use of the *VISX STAR* System.

- Microkeratomes Surgeons use microkeratomes in LASIK procedures to cut a flap of corneal tissue before treatment with an excimer laser. This is the first step in the LASIK surgery process. Effective May 1, 2007, we will no longer sell mechanical microkeratomes.

- Femtosecond Lasers As a result of the acquisition of IntraLase, we acquired the *IntraLase FS* laser which optically focuses a laser beam of light at a focal point below the surface of the cornea to create the corneal flap. This is an alternative first step in the LASIK surgery process.

Eye Care Market. The eye care market encompasses products used in conjunction with contact lenses, including disinfecting solutions, daily cleaners, enzymatic cleaners and contact lens rewetting drops. We believe that the contact lens market growth is driven by technological advancements in lens materials and designs and broader adoption among younger wearers. In response to increasing popularity of more frequently replaceable lenses and consumer interest in more convenient lens care regimens, we believe the contact lens care market continues to evolve towards greater use of single-bottle, multi-purpose solutions and away from hydrogen peroxide-based solutions. This evolution has had an unfavorable impact on the global hydrogen peroxide market, which is concentrated in Japan and parts of Europe. We estimate that the eye care market is a $2.3 billion market which is projected to experience 15% growth to reach over $2.6 billion in 2010.

The eye care market also includes artificial tear and contact lens rewetter products designed to relieve dryness associated with contact lens wear, environmental conditions and dry eye disease. We believe the global market for over-the-counter artificial tear products exceeds $400 million per year.

In the eye care market, we focus on creating products that make contact lenses more comfortable, simplify contact lens care and promote ocular health. Our eye care business develops, manufactures and markets a full range of contact lens care products for use with most types of contact lenses.

Our eye care market products include the following:

- Multi-Purpose Solutions We believe *Complete MoisturePLUS* is the first single-bottle, multi-purpose solution with dual demulcents to help prevent contact lens dryness and discomfort and promote ocular health.

- Hydrogen Peroxide-Based We offer products that use hydrogen peroxide-based disinfection systems.

- Lens Rewetting Solutions We have introduced contact lens rewetting drops designed to provide prolonged lubrication and improved protection against dryness. We believe that dryness and discomfort are the reasons most often cited for discontinuing contact lens wear.

OUR COMPETITIVE STRENGTHS

Global Market Leader. We have leading positions in each of our business segments described above. We believe we operate the largest laser vision correction business, with approximately 60% of the U.S. excimer laser procedure volume and have significant market share positions in the cataract business and the contact lens care business. In addition, we also hold global leadership positions in premium and higher market growth categories, including multifocal IOLs and custom LASIK procedures. With our acquisition of IntraLase, we expect to market an All-laser Custom LASIK platform of products and services that will allow us to further grow our leadership position and market share in the refractive vision correction market.

Attractive Industry Trends. An aging population and prevalence of cataracts will continue to support steady growth of vision correction procedures. Furthermore, the convergence in the cataract and laser vision correction markets into a single refractive vision correction market is likely to continue, with increasing reliance on advanced technologies. As a result, premium products such as multifocal IOLs are expected to continue gaining market share. Increasing market acceptance of Custom LASIK procedures has driven higher average price points for LASIK procedures.

Broad Product Offering and Recognized Brand Names. We believe each of our business segments offers a technologically advanced, integrated product line delivering a comprehensive product suite for surgical practitioners, distributors and consumers. Within each of our business segments, we have leading, industry-respected brand name products such as *Tecnis, ReZoom, Clariflex, Verisyse, Healon, WhiteStar, Sensar, Visx, Star S4, Custom Vue, IntraLase, Complete Moisture Plus, blink, Complete Blink-N-Clean, Consept,* and *Oxysept*.

High Margin, Recurring Revenue Business Model. Low manufacturing and distribution costs for our multifocal IOLs and Custom LASIK treatment cards result in high gross margins for those products. In addition, our global installed base of cataract and laser vision correction equipment allows us to develop long-term relationships with practitioners. This installed base results in recurring revenue from surgical consumables (including IOLs) and per-procedure fees allowing us to maintain higher gross margins.

Research and Development Expertise. Our research and development expertise has been responsible for the delivery of numerous industry firsts, including the pioneering of small incision cataract surgery in the U.S. market, cold phacoemulsification systems, and three coordinate eye-tracking, iris registration and Fourier calculation of wavefront data. We continue to make significant financial investments in our research and development infrastructure and capabilities to remain well positioned in the higher growth, premium market categories.

Distribution and Customer Relationships. Our marketing activities are coordinated on a worldwide basis, and resident management teams provide leadership and infrastructure for introduction of new products in local markets. Our sales infrastructure is critical to the realization of acquisition synergies. We believe our customer relationships and salesforce will allow us to integrate IntraLase s technology with our laser vision correction product offering to deliver a comprehensive, differentiated product suite for laser vision correction practitioners.

Experienced Management Team. We benefit from senior management s knowledge of the industry, familiarity with customers, and understanding of the development, manufacturing and sale of our products. Our chief executive officer Jim Mazzo has been with us since the spin-off from Allergan in 2002 and had been with Allergen prior to that time since 1980. Our chief operating officer and chief financial officer Randy Meier has also been with us since the spin-off from Allergan and prior to that time has had a significant number of years in senior management positions in the health care industry as well as the banking and finance industry. Our management team also has experience integrating and realizing synergies from significant acquisitions.

OUR STRATEGY

Our strategy is to be the complete refractive solution to ophthalmic practitioners and to provide the full spectrum of products that address a lifetime of refractive vision needs to patients. We believe that with our comprehensive offering of innovative technologies, responsive customer service and global reach, we are well-positioned as a global refractive leader. Our strategy is designed to build on our core strengths and to deliver sustained, profitable growth through the following initiatives:

Ø Focus on premium markets. We are committed to focusing on the higher growth, premium markets of ophthalmology that are driven by demographics and technology. With the completion of the

rationalization and repositioning initiatives, as well as strategic acquisitions, we have positioned our product portfolio and organizational structure to capitalize in these markets. We expect to take advantage of our leading laser vision correction market position, favorable U.S. reimbursement environment for refractive IOLs and our entry into the dry eye market to drive growth and gross margin expansion.

Ø Invest in technological differentiation. As the leader in refractive vision care, the goal of our research and development investments and efforts is to continue to build a pipeline of promising new technologies to stimulate growth across all of our businesses. We focus our pipeline on new innovations with market-changing potential. We expect to launch six new products in 2007 which we expect will provide key line extensions, new platforms, and expansion into new segments across all three businesses.

Ø Leverage global infrastructure. With manufacturing operations in the U.S., Europe and Asia and a global distribution presence in more than 60 countries, we expect to continue to leverage our global infrastructure to achieve efficiencies.

ANTICIPATED BENEFITS FROM THE ACQUISITION OF INTRALASE

In April 2007, we completed our acquisition of IntraLase Corp., a leader in femtosecond lasers used in LASIK surgery, for a total consideration of approximately $820 million in cash.

IntraLase designs, develops and manufactures an ultra-fast laser for refractive and corneal surgery that creates more precise corneal incisions for laser vision correction in the first step of LASIK surgery. The accuracy of IntraLase s computer-controlled femtosecond laser has been shown to improve safety profiles and visual outcomes when used during LASIK procedures. In addition to the medical benefits of IntraLase s product offering, IntraLase s advanced laser technology allows surgeons to improve the profitability of their LASIK surgery practices.

IntraLase began commercial introduction of its product offering in late 2001 and, as of March 30, 2007, had sold or leased 625 lasers and had sold over 0.2 million per procedure fees, each inclusive of a single disposable patient interface. In the three months ended December 31, 2006, IntraLase captured approximately 30% of the U.S. market for LASIK corneal flap creation.

IntraLase lasers are also used in corneal transplants, and IntraLase is continuing to explore other potential ophthalmic applications. IntraLase s proprietary laser and disposable patient interfaces are presently marketed in the U.S. and 33 other countries.

We believe our acquisition of IntraLase strengthens our position in the ophthalmic surgical industry through the following expected benefits:

Ø Enhances our position in the refractive vision correction market. We believe the acquisition further establishes us as a global leader in refractive vision innovation and expertise by strengthening our ability to provide products at all stages of the vision care life cycle and offer a comprehensive combination of superior technologies and service.

Ø Strengthens our comprehensive product portfolio in the laser vision correction market. Through our acquisition of IntraLase, we acquired the *IntraLase® FS* laser and *IntraLASIK®* software. With the addition of the *IntraLase® FS* laser, the *IntraLASIK®* software and IntraLase s per procedure fees to our existing product base, our sales force has the opportunity to increase sales through cross-selling of our products, thereby strengthening our position as a single-source solution for laser vision correction surgery products. Specifically, we believe we are positioned to supply an Custom All-laser LASIK procedure to surgeons and practitioners globally. We believe that marketing IntraLase s laser vision

correction products in conjunction with our *VISX Star* Excimer Laser System, *WaveScan* System and Treatment Cards will accelerate the adoption of both IntraLase s products and services and the growth of custom LASIK procedures.

Ø Increases our revenue diversification. Laser vision correction sales would represent 36% of our total consolidated sales in the three months ended March 30, 2007 after giving pro forma effect to our acquisition of IntraLase and the acquisition is expected to increase our percentage of revenue from the United States market.

Ø Expands our manufacturing and research and development expertise. We expect the manufacturing know-how of IntraLase and the combination of talented personnel in the area of research and development to add to our own manufacturing capabilities, including the development of new therapeutic applications to expand the use of our current technology.

Ø Positions us to achieve operating synergies and expand operating leverage. The acquisition of IntraLase provides us the opportunity to realize operating synergies. We believe the acquisition of IntraLase, together with our domestic and international installed bases and distribution relationships, will help to expand operating margins over time. In addition, we acquired IntraLase s installed base of systems from which we should be able to generate incremental growth.

The anticipated benefits of the IntraLase acquisition are subject to a number of risks and uncertainties. See Risk factors Risks Relating to Our Business and Risks Relating to the IntraLase Corp. Acquisition.

NEW SENIOR CREDIT FACILITY

In April 2007, substantially concurrent with the closing of the IntraLase acquisition, we entered into new senior credit facilities consisting of a $300.0 million revolving credit facility and a $450.0 million term loan. Borrowings under each of the facilities bear interest at the base rate or at LIBOR, plus an applicable margin. The revolving credit facility will mature in April 2013 and the term loan portion of the credit facility will mature in April 2014. The new senior secured credit facility is secured by substantially all of our assets and the assets of the guarantors thereunder and contains customary restrictive covenants, including maximum leverage and maximum secured senior leverage ratios; minimum interest coverage ratio; and restrictions on indebtedness, liens, fundamental changes, dispositions of property, restricted payments, capital expenditures and investments, among other restrictions.

We used the proceeds of the term loan and borrowings made under the revolving credit facility on the closing date together with the proceeds from the notes to:

Ø finance the acquisition of IntraLase;

Ø pay related fees and expenses; and

Ø the remaining we intend to use for other general corporate purposes.

CORPORATE INFORMATION

We were incorporated in Delaware in October 2001 as a subsidiary of Allergan, Inc. Allergan spun-off our company to its stockholders by way of a distribution of all of our shares of common stock on June 29, 2002. As a result of our spin-off from Allergan, we are a publicly traded, independent company and Allergan has no continuing stock ownership in us. Our principal executive offices are located at 1700 E. St. Andrew Place, Santa Ana, California 92705. Our telephone number is (714) 247-8200. Our website can be found at *www.amo-inc.com*. Information on our website is not deemed to be part of this prospectus.

The exchange offer

Background	On April 2, 2007, we issued $250 million aggregate principal amount of our old notes in a private offering. In connection with that private offering, we entered into a registration rights agreement in which we agreed, among other things, to deliver this prospectus to you and to complete an exchange offer for the old notes.
General	We are offering to exchange $1,000 principal amount of our new notes for each $1,000 principal amount of our old notes. The terms of the new notes are identical in all material respects to the terms of the old notes, except that the new notes are registered under the Securities Act and are generally not subject to transfer restrictions or registration rights. Old notes may be exchanged only in minimum denominations of $1,000 and integral multiples of $1,000 in excess of $1,000. New notes will be issued only in minimum denominations of $1,000 and integral multiples of $1,000 in excess of $1,000. Subject to the terms of the exchange offer, we will exchange new notes for all of the old notes that are validly tendered and not withdrawn prior to the expiration of the exchange offer. The new notes will be issued in exchange for corresponding old notes in the exchange offer, if consummated, as soon as practicable after the expiration of the exchange offer.
Expiration Date	The exchange offer will expire at 5:00 p.m., New York City time, on July 5, 2007, unless we extend it. We do not currently intend to extend the expiration date.
Withdrawal of Tenders	You may withdraw the tender of your old notes at any time prior to the expiration date.
Taxation	The exchange of old notes for new notes in the exchange offer will not be a taxable transaction for United States federal income tax purposes. See the discussion below under the caption Material United States federal income tax considerations for more information regarding the United States federal income tax consequences to you of the exchange offer.
Appraisal Rights; Dissenters Rights	You do not have any appraisal or dissenters rights in connection with the exchange offer.
Regulatory Approvals	Other than with respect to applicable securities laws, we know of no other federal or state regulatory requirements that must be complied with or approval that must be obtained in connection with this exchange offer.

Conditions to the Exchange Offer	The exchange offer is subject to customary conditions, which we may assert or waive. See The Exchange Offer Conditions to the Exchange Offer; Waivers.
Procedures for Tendering	If you wish to accept the exchange offer and your old notes are held by a custodial entity such as a bank, broker, dealer, trust company or other nominee, you must instruct this custodial entity to tender your old notes on your behalf pursuant to the procedures of the custodial entity. If your old notes are registered in your name, you must complete, sign and date the accompanying letter of transmittal, or a facsimile of the letter of transmittal, according to the instructions contained in this prospectus and the letter of transmittal. You must also mail or otherwise deliver the letter of transmittal, or a facsimile of the letter of transmittal, together with the old notes and any other required documents, to the exchange agent at the address set forth on the cover page of the letter of transmittal. Custodial entities that are participants in The Depository Trust Company (DTC) must tender old notes through DTC s Automated Tender Offer Program (ATOP), which enables a custodial entity, and the beneficial owner on whose behalf the custodial entity is acting, to electronically agree to be bound by the letter of transmittal. **A letter of transmittal need not accompany tenders effected through ATOP.** By tendering your old notes in either of these manners, you will represent and agree with us that: Ø you are acquiring the new notes in the ordinary course of your business; Ø if you are not a broker-dealer, you are not engaged in, and do not intend to engage in, the distribution of the new notes (within the meaning of the Securities Act); Ø if you are a broker-dealer, that will receive new notes for your own account in exchange for old notes that were acquired as a result of market-making or other trading activities, you will deliver a prospectus in connection with any resale of such new notes; Ø you have no arrangement or understanding with anyone to participate in a distribution of the new notes; and Ø you are not an affiliate of Advanced Medical Optics, Inc. or the guarantors within the meaning of Rule 405 under the Securities Act. See The Exchange Offer Effect of Surrendering Old Notes. If you are a broker-dealer that will receive new notes for your own account in exchange for old notes that you acquired as a

	result of your market-making or other trading activities, you will be required to acknowledge in the letter of transmittal that you will deliver a prospectus in connection with any resale of these new notes.
Resale of New Notes	We believe that you can resell and transfer your new notes without registering them under the Securities Act and delivering a prospectus, if you can make the representations that appear under The Exchange Offer Effect of Surrendering Old Notes. Our belief is based on interpretations expressed in Securities and Exchange Commission no-action letters to other issuers in exchange offers like ours. We cannot guarantee that the Securities and Exchange Commission would make a similar decision about the exchange offer. If our belief is wrong, or if you cannot truthfully make the necessary representations, and you transfer any new note issued to you in the exchange offer without meeting the registration and prospectus delivery requirements of the Securities Act, or without an exemption from these requirements, then you could incur liability under the Securities Act. We are not indemnifying you for any liability that you may incur under the Securities Act. A broker-dealer can only resell or transfer new notes if it delivers a prospectus in connection with the resale or transfer.
Consequences of Failure to Exchange	If you do not tender your old notes in the exchange offer, your old notes will remain subject to restrictions on transfer. In general, you may not offer or sell old notes unless they are registered under the Securities Act, or if the offer or sale is exempt from registration under the Securities Act and applicable state securities laws. For a description of the consequences of a failure to exchange the old notes, see Risk Factors.
Use of Proceeds	We will not receive any proceeds from the exchange of notes pursuant to the exchange offer.
Exchange Agent	Wilmington Trust Company is the exchange agent for the exchange offer. The address and telephone number of the exchange agent are on page 43 of this prospectus.

The new notes

The summary below describes the principal terms of the new notes, which are substantially identical to the old notes. To the extent that the terms of the old notes and the new notes are identical, we sometimes refer to them collectively as the notes. Some of the terms and conditions described below are subject to important limitations and exceptions. You should read this summary in conjunction with the Description of the notes section of this prospectus, which contains a more detailed description of the terms and conditions of the new notes.

Issuer	Advanced Medical Optics, Inc.
Interest Payments	The notes will bear interest at the rate of 7 1/2% per year from and including the issue date, payable semi-annually, in arrears, on May 1 and November 1 of each year, commencing on November 1, 2007.
Maturity Date	May 1, 2017.
Guarantees	On the issue date, certain of our existing domestic subsidiaries will guarantee the notes. Additionally, subject to certain exceptions described in this prospectus, each of our future domestic subsidiaries will also guarantee the notes.
Ranking	The notes and the guarantees will be our and the guarantors general unsecured senior subordinated obligations. Accordingly, they will rank: Ø behind all of our and our guarantors existing and future senior debt; Ø equally with all of our and our guarantors existing and future unsecured senior subordinated obligations that do not expressly provide that they are subordinated to the notes; and Ø ahead of any of our and our guarantors future debt that expressly provides that it is subordinated to the notes. As of March 30, 2007, on a pro forma basis after giving effect to the offering, the receipt of borrowings under the new credit facility, and the use of proceeds therefrom to acquire IntraLase Corp., the notes and the guarantees would have been subordinated to approximately $533.7 million of senior debt and will rank equally with approximately $851.1 million of senior subordinated debt.
Optional Redemption	We may redeem the notes for cash, in whole or in part, at any time and from time to time on or after May 1, 2012, at redemption prices set forth in the Description of notes Optional Redemption, together with accrued and unpaid interest and additional interest, if any, to the redemption date.

	In addition, at any time on or before May 1, 2010, we may use the proceeds of certain equity offerings to redeem up to 35% of the aggregate principal amount of notes at a redemption price equal to 107.5% of the principal amount thereof, together with accrued and unpaid interest and additional interest, if any, to the redemption date. See Description of notes Optional Redemption.
Change of Control	If a change of control occurs, we will be required to make an offer to purchase the notes at a price equal to 101% of the principal amount thereof, together with accrued and unpaid interest and additional interest, if any, to the repurchase date. See Description of the notes Change of Control.
Certain Covenants	The indenture governing the notes will contain covenants that will limit our ability and the ability of our restricted subsidiaries to, among other things: Ø incur or guarantee additional indebtedness; Ø pay dividends, redeem capital stock or make distributions or certain other restricted payments; Ø make certain investments; Ø incur liens; Ø enter into transactions with affiliates; Ø limit dividends or other payments by our restricted subsidiaries to us; and Ø sell all or substantially all of our assets or merge with or into other companies. These covenants are subject to a number of important limitations and exceptions. See Description of the notes Certain Covenants.
Risk Factors	You should consider carefully all of the information contained or incorporated by reference in this prospectus, and in particular, should evaluate the specific factors set forth under Risk factors before tendering your old notes in exchange for new notes.

Risk factors

There are various risks involved in an investment in the new notes, including those we describe below. You should carefully consider these risk factors together with all of the other information included or incorporated by reference in this prospectus before deciding to tender your old notes in the exchange offer. These risks and uncertainties are not the only ones we face. Others that we do not know about now, or that we do not now think are important, may also impair our business. The risks described in this section and included or incorporated by reference in this prospectus could cause our actual results to differ materially from those anticipated.

RISKS RELATED TO THE EXCHANGE OFFER

If you fail to exchange your old notes for new notes, you will continue to hold notes subject to transfer restrictions.

If you do not exchange your old notes for new notes in the exchange offer, the old notes you hold will continue to be subject to the existing transfer restrictions. In general, you may not offer or sell the old notes except under an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. We do not plan to register the old notes under the Securities Act. If you continue to hold any old notes after the exchange offer is completed, you may have trouble selling them because of these restrictions on transfer.

Because we anticipate that most holders of old notes will elect to participate in the exchange offer, we expect that the liquidity of the market for the old notes after the completion of the exchange offer may be substantially limited. Any old notes tendered and exchanged in the exchange offer will reduce the aggregate principal amount at maturity of the old notes not exchanged. Following the exchange offer, if you did not tender your old notes, you generally will not have any further registration rights, except in limited circumstances, and your old notes will continue to be subject to transfer restrictions.

You must comply with the exchange offer procedures in order to receive the new notes.

We will only issue new notes in exchange for old notes that you timely and properly tender. Therefore, you should allow sufficient time to ensure timely delivery of the old notes, and you should carefully follow the instructions on how to tender your old notes set forth under The Exchange Offer Procedures for Tendering and in the letter of transmittal that accompanies this prospectus. Neither we nor the exchange agent are required to notify you of any defects or irregularities relating to your tender of old notes.

Some holders who exchange their old notes may be deemed to be underwriters and these holders will be required to comply with the registration and prospectus delivery requirements in connection with any resale transaction.

If you exchange your old notes in the exchange offer for the purpose of participating in a distribution of the new notes, you may be deemed to have received restricted securities and, if so, will be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction.

Risk factors

RISKS RELATING TO THE NOTES AND OUR OTHER INDEBTEDNESS

We have a significant amount of debt and incurred more debt in connection with the offering of the old notes and the IntraLase acquisition. Our substantial indebtedness could adversely affect our business, financial condition and results of operations and our ability to meet our payment obligations under our debt.

We have a significant amount of debt and substantial debt service requirements. As of March 30, 2007, we had $851.1 million of outstanding debt. Approximately $8.4 million of our existing revolving credit facility was reserved to support letters of credit issued on our behalf and $291.6 million, exclusive of letters of credit, was available for future borrowings. After giving effect to the offering, our new credit facility and the IntraLase acquisition, we will have $1.6 billion of debt.

This level of debt could have significant consequences on our future operations, including:

- making it more difficult for us to meet our payment and other obligations under our outstanding debt;
- resulting in an event of default if we fail to comply with the financial and other restrictive covenants contained in our debt agreements, which event of default could result in all of our debt becoming immediately due and payable;
- reducing the availability of our cash flow to fund working capital, capital expenditures, acquisitions and other general corporate purposes, and limiting our ability to obtain additional financing for these purposes;
- subjecting us to the risk of increased sensitivity to interest rate increases on our indebtedness with variable interest rates, including borrowings under our new senior credit facility;
- limiting our flexibility in planning for, or reacting to, and increasing our vulnerability to, changes in our business, the industry in which we operate and the general economy; and
- placing us at a competitive disadvantage compared to our competitors that have less debt or are less leveraged.

Any of the above-listed factors could have an adverse effect on our business, financial condition and results of operations and our ability to meet our payment obligations under the notes and our other debt.

To service our indebtedness, we will require a significant amount of cash. Our ability to generate cash flow depends on many factors beyond our control.

Our ability to meet our payment and other obligations under our debt depends on our ability to generate significant cash flow in the future. This, to some extent, is subject to general economic, financial, competitive, legislative and regulatory factors as well as other factors that are beyond our control. We cannot assure holders that our business will generate cash flow from operations, or that future borrowings will be available to us under our new senior credit facility or otherwise, in an amount sufficient to enable us to meet our payment obligations under our debt and to fund other liquidity needs. We made an irrevocable election to satisfy in cash our conversion obligation with respect to the principal amount of any of our 2 1/2% convertible senior subordinated notes due 2024 (the 2 1/2% Notes) converted after December 15, 2004, with any remaining amount of the conversion obligation to be satisfied in shares of our common stock, in each case, calculated as set forth in the indenture governing the 2 1/2% Notes. In addition, because we made this election, the indenture provides that we must satisfy in cash our obligations to repurchase any 2 1/2% Notes that holders put to us on January 15, 2010,

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July 15, 2014 and July 15, 2019. If the 2 1/2% Notes become convertible pursuant to their terms and the holders elect to convert or if holders elect to put their notes to us on the specified repurchase dates, we may not have sufficient cash to satisfy our obligations.

In addition, our 1.375% Notes and 3.25% Notes contain similar provisions. We may be unable to repurchase the notes for cash when required by the holders, including following a fundamental change, upon the optional put dates as set forth in the respective indentures or to pay the portion of the conversion value upon conversion of any notes by the holders. If we are not able to generate sufficient cash flow to service our debt obligations, we may need to refinance or restructure our existing debt, sell assets, reduce or delay capital investments, or seek to raise additional capital. If we are unable to implement one or more of these alternatives, we may not be able to meet our payment obligations under the notes and our other debt.

A significant amount of our debt agreements contain covenant restrictions that may limit our ability to operate our business.

The agreements governing our new senior credit facility contain covenant restrictions that limit our ability to operate our business, including restrictions on our ability to:

- incur additional debt or issue guarantees;
- create liens;
- make certain investments;
- enter into transactions with our affiliates;
- sell certain assets;
- redeem capital stock or make other restricted payments;
- declare or pay dividends or make other distributions to stockholders; and
- consolidate, merge or transfer all or substantially all of our assets and the assets of our subsidiaries on a consolidated basis.

As a result of these covenants, our ability to respond to changes in business and economic conditions and to obtain additional financing, if needed, may be significantly restricted, and we may be prevented from engaging in transactions that might otherwise be beneficial to us. In addition, our failure to comply with these covenants could result in a default under our debt, which could permit the holders to accelerate such debt and proceed against substantially all of our assets, which will serve as collateral securing the indebtedness. If any of our debt is accelerated, we may not have sufficient funds available to repay such debt. As of March 30, 2007, we were in compliance with our financial and other covenants.

Our new senior credit facility requires us to maintain specific leverage and interest coverage ratios. Our ability to comply with these covenants is dependent on our future performance, which will be subject to many factors, some of which are beyond our control, including prevailing economic conditions. Our failure to comply with these obligations would prevent us from borrowing additional money under our new facility and could result in a default. Moreover, if the lenders under our new facility or other agreement in default were to accelerate the indebtedness outstanding under that facility, it could result in a default under other indebtedness.

In addition, we may incur other indebtedness in the future that may contain financial or other covenants that are more restrictive than those contained in our new senior credit facility or in our current indentures.

Despite our and our subsidiaries current levels of indebtedness, we may incur substantially more debt, which could further exacerbate the risks associated with our substantial indebtedness.

Although certain of our debt agreements contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of qualifications and exceptions, and the indebtedness incurred in compliance with these restrictions could be substantial. Also, these restrictions do not prevent us from incurring obligations that do not constitute indebtedness as defined in the relevant agreement. If new debt is added to our current debt levels, the related risks that we now face could intensify.

The notes will not be secured by any of our assets and our secured debt will have claims with respect to the secured assets superior to the notes.

The notes will not be secured by any of our assets. However, the indebtedness under our new senior credit facility will be secured by substantially all of our assets. In addition, future indebtedness that we incur may be secured by our assets. If we become insolvent or are liquidated, or if payment of any secured indebtedness is accelerated, the holders of the secured indebtedness will be entitled to exercise the remedies available to secured lenders under applicable law, including the ability to foreclose on and sell the assets securing such indebtedness in order to satisfy such indebtedness. In any such case, any remaining assets may be insufficient to repay the notes.

Your right to receive payment on the notes and the guarantees is junior to all of our and the guarantors senior debt.

The notes will be general unsecured obligations, junior in right of payment to all of our existing and future senior debt and that of each guarantor, including obligations under our new senior credit facility. As a result, upon any distribution to our creditors or the creditors of the guarantors in a bankruptcy, liquidation or reorganization or similar proceeding relating to us or the guarantors or our or their property, the holders of our senior debt and the guarantors will be entitled to be paid in full and before any payment may be made with respect to these notes or the subsidiary guarantees.

In addition, all payments on the notes and the guarantees will be blocked in the event of a default on certain of our senior debt and may be blocked for up to 179 of 360 consecutive days in the event of certain non-payment defaults on senior debt.

Assuming we had completed the offering on March 30, 2007, on a pro forma basis, the notes and the subsidiary guarantees would have been subordinated to approximately $533.7 million of senior debt and approximately $216.3 million would have been available for borrowing as additional senior debt under our new senior credit facility. We will be permitted to borrow substantial additional indebtedness, including senior debt, in the future under the terms of the indenture.

Federal and state statutes allow courts, under specific circumstances, to void guarantees and require note holders to return payments received from guarantors.

Under the federal bankruptcy law and comparable provisions of state fraudulent transfer laws, a guarantee could be voided, or claims in respect of a guarantee could be subordinated to all other debts of that guarantor if, among other things, the guarantor, at the time it incurred the indebtedness evidenced by its guarantee:

Ø received less than reasonably equivalent value or fair consideration for the incurrence of such guarantee; and

- was insolvent or rendered insolvent by reason of such incurrence; or

- was engaged in a business or transaction for which the guarantor s remaining assets constituted unreasonably small capital; or

- intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature.

In addition, any payment by that guarantor pursuant to its guarantee could be voided and required to be returned to the guarantor, or to a fund for the benefit of the creditors of the guarantor.

The measures of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, a guarantor would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all of its assets; or

- if the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or

- it could not pay its debts as they become due.

On the basis of historical financial information, recent operating history and other factors, we believe that each guarantor, after giving effect to its guarantee of these notes, will not be insolvent, will not have unreasonably small capital for the business in which it is engaged and will not have incurred debts beyond its ability to pay such debts as they mature. We cannot assure you, however, as to what standard a court would apply in making these determinations or that a court would agree with our conclusions in this regard.

The notes will be structurally subordinated to claims of creditors of any of our non-guarantor subsidiaries.

The notes be will structurally subordinated to indebtedness and other liabilities of any of our subsidiaries that are not guarantors of the notes. The indenture governing the notes will allow our non-guarantor subsidiaries to incur a significant amount of permitted indebtedness in the future, including indebtedness under our incremental debt basket. In the event of a bankruptcy, liquidation or reorganization of any of our non-guarantor subsidiaries, these non-guarantor subsidiaries will pay the holder of their debts, holders of preferred equity interests and their trade creditors before they will be able to distribute any of their assets to us.

We may not have the ability to raise the funds necessary to finance the change of control offer required by the indenture, which may result in an event of default.

Upon the occurrence of specific change of control events and following asset sales, we will be required to offer to repurchase all outstanding notes. However, it is possible that we will not have sufficient funds at the time of the change of control to make the required repurchase of the notes as well as all of our existing convertible senior subordinated notes. In addition, restrictions in our new senior credit facility prohibit repurchases of the notes following a change of control or certain asset sales unless a waiver is obtained from the lenders. If we fail to repurchase the notes following a change of control or certain asset sales, we will be in default under the indenture related to the notes, which may result in cross-

default under our senior credit facility. Any future debt that we incur may also contain restrictions on repayment of the notes. In addition, certain important corporate events, such as leveraged recapitalizations, that would increase the level of our indebtedness would not constitute a change of control under the indenture related to the notes.

There is currently no public market for the new notes, and an active trading market may not develop for the new notes. The failure of a market to develop for the new notes could adversely affect the liquidity and value of your new notes.

The new notes are a new issue of securities, and there is no existing market for the new notes. We do not intend to apply for listing of the new notes on any securities exchange or for quotation of the notes on any automated dealer quotation system. We have been advised by the initial purchasers that they intend to make a market in the new notes. However, the initial purchasers are not obligated to do so and any market-making activities with respect to the new notes may be discontinued by the initial purchasers at any time without notice. In addition, any market-making activity will be subject to limits imposed by law. A market may not develop for the new notes, and there can be no assurance as to the liquidity of any market that may develop for the new notes. If an active, liquid market does not develop for the new notes, the market price and liquidity of the new notes may be adversely affected. If any of the new notes are traded after their initial issuance, they may trade at a discount from their initial offering price.

The liquidity of the trading market, if any, and future trading prices of the new notes will depend on many factors, including, among other things, prevailing interest rates, our operating results, financial performance and prospects, the market for similar securities and the overall securities market, and may be adversely affected by unfavorable changes in these factors. It is possible that the market for the new notes will be subject to disruptions which may have a negative effect on the holders of the new notes, regardless of our operating results, financial performance or prospects.

RISKS RELATING TO OUR BUSINESS

We may not successfully make or integrate acquisitions or enter into strategic alliances.

As part of our business strategy, in addition to the IntraLase acquisition, we intend to pursue selected acquisitions and strategic alliances and partnerships. We compete with other ophthalmic surgical products and eye care companies, among others, for these opportunities and we cannot assure you that we will be able to effect strategic alliances, partnerships or acquisitions on commercially reasonable terms or at all. Even if we do enter into these transactions, we may experience:

- Ø delays in realizing the benefits we anticipate, or we may not realize the benefits we anticipate at all;
- Ø difficulties in integrating any acquired companies and products into our existing business;
- Ø attrition of key personnel from acquired businesses;
- Ø costs or charges;
- Ø difficulties or delays in obtaining regulatory approvals;
- Ø higher costs of integration than we anticipated; or

- unforeseen operating difficulties that require significant financial and managerial resources that would otherwise be available for the ongoing development or expansion of our existing operations.

Consummating these transactions could also result in the incurrence of additional debt and related interest expense, as well as unforeseen contingent liabilities, all of which could have a material adverse effect on our business, financial condition and results of operations.

Risk factors

We conduct a significant amount of our sales and operations outside of the United States, which subjects us to additional business risks that may cause our profitability to decline.

Because we manufacture and sell a significant portion of our products in a number of foreign countries, our business is subject to risks associated with doing business internationally. In particular, our products are sold in over 60 countries, and most of our manufacturing facilities are located outside the continental United States, in Añasco, Puerto Rico; Madrid, Spain; Hangzhou, China, Uppsala, Sweden and Groningen, Netherlands. In the three months ended March 30, 2007, we derived approximately $141.9 million, or 56%, of our net sales, from sales of our products outside of the United States, including 11% of our net sales in Japan. We intend to continue to pursue growth opportunities in sales internationally, which could expose us to greater risks associated with international sales and operations. Our international operations are, and will continue to be, subject to a number of risks and potential costs, including:

- unexpected changes in foreign regulatory requirements;
- differing local product preferences and product requirements;
- fluctuations in foreign currency exchange rates;
- political and economic instability;
- cultural differences;
- changes in foreign medical reimbursement and coverage policies and programs;
- diminished protection of intellectual property in some countries outside of the United States;
- trade protection measures and import or export licensing requirements;
- difficulty in staffing and managing foreign operations;
- differing labor regulations; and
- potentially negative consequences from changes in tax laws.

Any of these factors may, individually or as a group, have a material adverse effect on our business and results of operations.

As we expand our existing international operations, we may encounter new risks. For example, as we focus on building our international sales and distribution networks in new geographic regions, we must continue to develop relationships with qualified local distributors and trading companies. If we are not successful in developing these relationships, we may not be able to grow sales in these geographic regions. These or other similar risks could adversely affect our revenue and profitability.

We are exposed to foreign currency risks from our international operations that could adversely affect our financial results.

A significant portion of our sales and operating costs are, and from time to time, a portion of our indebtedness may be, denominated in foreign currencies. We are therefore exposed to fluctuations in the exchange rates between the U.S. dollar and the currencies in which our foreign operations receive revenues and pay expenses, including debt service. Our consolidated financial results are denominated in U.S. dollars and therefore, during times of a strengthening U.S. dollar, our reported international sales and earnings will be reduced because the local currency will translate into fewer U.S. dollars. In addition, the assets and liabilities of our non-U.S. subsidiaries are translated into U.S. dollars at the exchange rates in effect at the balance sheet date. Revenues and expenses are translated into U.S. dollars at the weighted average exchange rate for the period. Translation adjustments arising from the use of differing exchange

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rates from period to period are included in Accumulated other comprehensive income (loss) in Stockholders equity. Gains and losses resulting from foreign currency fluctuations and remeasurements relating to foreign operations deemed to be operating in U.S. dollar functional currency are included in Other, net in our consolidated statements of operations. Accordingly, changes in currency exchange rates will cause our net earnings and stockholders equity to fluctuate. We use hedging methods on a regular basis to manage the foreign exchange risk. This has historically been accomplished through the use of options and forward contracts.

If we do not introduce new commercially successful products in a timely manner, our products may become obsolete over time, customers may not buy our products and our revenue and profitability may decline.

Demand for our products may change in ways we may not anticipate because of:

- evolving customer needs;
- the introduction of new products and technologies;
- evolving surgical practices; and
- evolving industry standards.

Without the timely introduction of new commercially successful products and enhancements, our products may become obsolete over time, in which case our sales and operating results would suffer. The success of our new product offerings will depend on several factors, including our ability to:

- properly identify and anticipate customer needs;
- commercialize new products in a cost-effective and timely manner;
- manufacture and deliver products in sufficient volumes on time;
- obtain regulatory approval for such new products;
- differentiate our offerings from competitors offerings;
- achieve positive clinical outcomes;
- satisfy the increased demands by health care payors, providers and patients for lower-cost procedures;

Ø innovate and develop new materials, product designs and surgical techniques; and

Ø provide adequate medical and/or consumer education relating to new products and attract key surgeons to advocate these new products.

Moreover, innovations generally will require a substantial investment in research and development before we can determine the commercial viability of these innovations and we may not have the financial resources necessary to fund these innovations. In addition, even if we are able to successfully develop enhancements or new generations of our products, these enhancements or new generations of products may not produce revenue in excess of the costs of development and they may be quickly rendered obsolete by changing customer preferences or the introduction by our competitors of products embodying new technologies or features.

We rely on certain suppliers and manufacturers for raw materials and other products and are vulnerable to fluctuations in the availability and price of such products and services.

We purchase certain raw materials and other products from third-party suppliers and vendors, sometimes from limited sources. Our suppliers and vendors may not provide the raw materials or other

products needed by us in the quantities requested, in a timely manner, or at a price we are willing to pay. In the event any of our third-party suppliers or vendors were to become unable or unwilling to continue to provide important raw materials and third-party products in the required volumes and quality levels or in a timely manner, or if regulations affecting raw materials such as animal-based products were to change, we would be required to identify and obtain acceptable replacement supply sources. We may not be able to obtain alternative suppliers and vendors on a timely basis, or at all, which could result in lost sales because of our inability to manufacture products containing such raw materials or deliver products we sell from certain suppliers. In addition, we also rely on certain manufacturers for some of our products. We have historically outsourced the manufacture of our phacoemulsification equipment to third parties. If we were unable to renew our third party manufacturing agreements, or if the manufacturers were to cease manufacturing any of these products for us for any reason, we may not be able to find alternative manufacturers on terms favorable to us, in a timely manner, or at all. If any of these events should occur, our business, financial condition and results of operations could be materially adversely affected.

We face intense competition, and our failure to compete effectively could have a material adverse effect on our profitability and results of operations.

We face intense competition in the markets for our ophthalmic surgical and eye care products and these markets are subject to rapid and significant technological change. We have numerous competitors in the United States and abroad, including, among others, large companies such as Alcon, Inc., a publicly traded subsidiary of Nestle S.A.; Bausch & Lomb; and CIBA Vision Corporation, a unit of Novartis, among others. Many of our competitors have substantially more resources and a greater marketing scale than we do. We may not be able to sustain our current levels of profitability and growth as competitive pressures, including pricing pressure from competitors, increase. In addition, if we are unable to develop and produce or market our products to effectively compete against our competitors, our operating results will materially suffer. We also compete against a large number of providers of alternative vision correction solutions, some of which may have greater financial resources than us. New or different methods of vision correction are continually being introduced. Any of these competitive pressures could result in decreased demand for our products.

Because of our leading market position in the laser vision correction business, all of our competitors target our market share in order to grow their own revenues. We can give no assurance that we will be able to maintain or grow our existing market share and we may, in fact, be required to incur considerable expenditures in order to maintain or increase that market share. Should our procedure market share decline, it could have a material adverse effect on our business, financial position, and results of operations.

Trends in the contact lens care market may negatively impact our eye care business.

Our eye care business is impacted by trends in the contact lens care market such as more simplified disinfection systems and technological and medical advances in surgical techniques for the correction of vision impairment. Less expensive one-bottle chemical disinfection systems have gained popularity among soft contact lens wearers instead of peroxide-based lens care products. Also, the growing use and acceptance of daily, frequent replacement and extended wear contact lenses and laser correction procedures, along with the other factors above, could have the effect of continuing to reduce demand for lens care products generally. Our marketing and sales plans may not be appropriate or sufficient to mitigate the effect of these trends on our eye care business and, as a result, our eye care business may suffer.

If we are unable to protect our intellectual property rights, our business and prospects may be harmed.

Our ability to compete effectively is dependent upon our ability to protect and preserve the proprietary aspects of the designs, processes, technologies and materials owned by, used by or licensed to us. We have numerous U.S. patents and corresponding foreign patents that are expected to expire by their own terms at various dates and have additional patent applications pending that may not result in issued patents. Our failure to secure these patents may limit our ability to protect the intellectual property rights that these applications were intended to cover. Although we have attempted to protect our proprietary property, technologies and processes both in the United States and in foreign countries through a combination of patent law, trade secrets and non-disclosure agreements, these may be insufficient. Competitors may be able to design around our patents to compete effectively with our products. We also may not be able to prevent third parties from using our technology without our authorization, breaching any non-disclosure agreements with us, or independently developing technology that is similar to ours. The use of our technology or similar technology by others could reduce or eliminate any competitive advantage we have developed, cause us to lose sales or otherwise harm our business. If it became necessary for us to resort to litigation to protect these rights, any proceedings could be costly and we may not prevail. Further, we may not be able to obtain patents or other protections on our future innovations. In addition, because of the differences in foreign patent and other laws concerning proprietary rights, our products may not receive the same degree of protection in foreign countries as they would in the United States. We cannot assure you that:

Ø pending patent applications will result in issued patents;

Ø patents issued to or licensed by us will not be challenged by third parties; or

Ø our patents will be found to be valid or sufficiently broad to protect our technology or provide us with a competitive advantage.

We may be subject to intellectual property litigation and infringement claims, which could cause us to incur significant expenses or prevent us from selling our products.

There is a substantial amount of litigation over patent and other intellectual property rights in the ophthalmic industry. The fact that we have patents issued to us for our products does not mean that we will always be able to successfully defend our patents and proprietary rights against challenges or claims of infringement by our competitors. A successful claim of patent or other intellectual property infringement or misappropriation against us could adversely affect our growth and profitability, in some cases materially. We cannot assure you that our products do not and will not infringe issued patents or other intellectual property rights of third parties. From time to time, in the ordinary course of business, we receive notices from third parties alleging infringement or misappropriation of the patent, trademark and other intellectual property rights of third parties by us or our consumers in connection with the use of our products. We may be unaware of intellectual property rights of others that may cover some of our technology. If someone claims that our products infringe their intellectual property rights, whether or not such claims are meritorious, any resulting litigation could be costly and time consuming and would divert the attention of our management and personnel from other business issues. The complexity of the technology involved and the uncertainty of intellectual property litigation increase these risks. Claims of intellectual property infringement also might require us to enter into costly royalty or license agreements (if available on acceptable terms or at all). We also may be subject to significant damages or an injunction preventing us from manufacturing, selling or using some or some aspect of our products. We may also need to redesign some of our products or processes to avoid future infringement liability. Any of these adverse consequences could have a material adverse effect on our business and profitability.

Our manufacturing capacity may not be adequate to meet the demands of our business.

If our sales increase substantially, we may need to increase our production capacity. Any prolonged disruption in the operation of our manufacturing facilities or those of our third-party manufacturers could materially harm our business. We cannot assure you that if we choose to scale-up our manufacturing operations, we will be able to obtain regulatory approvals in a timely fashion, which could affect our ability to meet product demand or result in additional costs.

We could experience losses due to product liability claims, product recalls or corrections.

We have in the past been, and continue to be, subject to product liability claims. In connection with our spin-off from Allergan, we assumed the defense of any litigation involving claims related to our business and agreed to indemnify Allergan for all related losses, costs and expenses. As part of our risk management policy, we have obtained third-party product liability insurance coverage. Product liability claims against us may exceed the coverage limits of our insurance policies or cause us to record a self insured loss. A product liability claim in excess of applicable insurance could have a material adverse effect on our business, financial condition and results of operations. Even if any product liability loss is covered by an insurance policy, these policies have substantial retentions or deductibles that provide that we will not receive insurance proceeds until the losses incurred exceed the amount of those retentions or deductibles. To the extent that any losses are below these retentions or deductibles, we will be responsible for paying these losses. The payment of retentions or deductibles for a significant amount of claims could have a material adverse effect on our business, financial condition and results of operations.

In addition, we are subject to medical device reporting regulations that require us to report to the FDA or similar governmental authorities in other countries if our products cause or contribute to a death or serious injury or malfunction in a way that would be reasonably likely to contribute to death or serious injury if the malfunction were to recur. The FDA and similar governmental authorities in other countries have the authority to require the recall of our products in the event of material deficiencies or defects in design or manufacturing. A government mandated or voluntary recall by us could occur as a result of manufacturing errors or design defects, including defects in labeling. We have undertaken voluntary recalls of our products in the past.

Any product liability claim or recall would divert managerial and financial resources and could harm our reputation with customers. We cannot assure you that we will not have product liability claims or recalls in the future or that such claims or recalls would not have a material adverse effect on our business.

In November 2006, we commenced a voluntary recall of eye care solutions, which resulted in a material decrease in eye care sales and increased costs associated with the recall and the necessary corrective measures, including temporary shutdown of production lines in China. This recall also affected our results for the first quarter of 2007. We cannot assure you that we have fully anticipated the impact of this recall on our eye care business or that we will be able to regain our market position, particularly in Asia. We also cannot assure you that we will be able to address all associated manufacturing issues on a timely basis.

If we fail to maintain our relationships with health care providers, customers may not buy our products and our revenue and profitability may decline.

We market our products to numerous health care providers, including eye care professionals, hospitals, ambulatory surgical centers, corporate optometry chains and group purchasing organizations. We have developed and strive to maintain close relationships with members of each of these groups who assist in product research and development and advise us on how to satisfy the full range of surgeon and patient

needs. We rely on these groups to recommend our products to their patients and to other members of their organizations. The failure of our existing products and any new products we may introduce to retain the support of these various groups could have a material adverse effect on our business, financial condition and results of operations.

We generally do not have long-term contracts with our customers.

We generally do not enter into long-term contracts with our customers. As a result, we are exposed to volatility in the market for our products and loss of our customers. As a result, we may not be able to maintain our level of profitability. If we are unable to market our products on terms we find acceptable, our financial condition and results of operations could suffer materially.

Our business is subject to extensive government regulation.

Our products and operations are subject to extensive regulation in the United States by the FDA and various other federal and state regulatory agencies, including with respect to regulatory clearance or approval of our products, clinical and pre-clinical testing, product marketing, sales and distributions, adverse event reporting, prohibitions on fraud and abuse, submission of false claims, kickbacks and rebates, and relationships with physicians and other referral sources. Additionally, in many foreign countries in which we market our products, we are subject to similar regulations.

Before a new medical device or new use of, or claim for, or modification to an existing product can be marketed in the United States, a company may have to apply for and receive either 510(k) clearance or premarket approval. Either process can be expensive, lengthy and unpredictable. Also, the identification or increased frequency of safety or efficacy concerns could result in product recall or withdrawal or revocation of our FDA clearance or premarket approval. Compliance with these regulations is expensive and time-consuming. We, our subcontractors, and third party manufacturers are subject to periodic and unannounced inspections by FDA and governmental authorities to assess compliance. If we fail to comply, the FDA and state or other regulatory agencies have broad enforcement powers, including any of the following sanctions:

- warning letters, fines, injunctions, consent decrees, civil penalties and exclusion from participation in federal and state health care programs;
- repair, replacement, recall or seizure of our products;
- operating restrictions, partial suspension or total shutdown of production;
- refusing our requests for 510(k) clearance or premarket approval of new products, new intended uses or modifications to existing products;
- withdrawing 510(k) clearance or premarket approvals that have already been granted; and
- criminal prosecution and penalties.

Product sales, introductions or modifications may be delayed or canceled as a result of U.S. or foreign regulatory processes, which could cause our sales to decline. Failure to obtain regulatory clearance or approvals of new products or product modifications we develop, any limitations imposed by regulatory agencies on new product uses or the costs of obtaining regulatory clearance or approvals could have a material adverse effect on our business, financial condition and results of operations.

We, our subcontractors, and third-party manufacturers are also subject to similar state requirements and licenses. We, our subcontractors, and third-party manufacturers must comply with extensive

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recordkeeping and reporting requirements and must make available our manufacturing facilities and records for unannounced and periodic inspections by governmental agencies, including FDA, state authorities and comparable agencies in other countries.

Health care initiatives and other cost-containment pressures could cause us to sell our products at lower prices, resulting in less revenue to us. In the United States, a significant percentage of the patients who receive our intraocular lenses are covered by the federal Medicare program. Changes in coverage or coding policies or reductions in Medicare reimbursement rates and the implementation of other price controls could adversely affect our revenues and financial condition. In addition, changes in existing regulatory requirements or adoption of new requirements could hurt our business, financial condition and results of operations.

The clinical trial process required to obtain regulatory approvals is costly and uncertain, and could result in delays in new product introductions or even an inability to release a product.

The clinical trials required to obtain regulatory approvals for our products are complex and expensive and their outcomes are uncertain. We incur substantial expense for, and devote significant time to, clinical trials but cannot be certain that the trials will ever result in the commercial sale of a product. We may suffer significant setbacks in clinical trials, even after earlier clinical trials showed promising results. Any of our products may produce undesirable side effects that could cause us or regulatory authorities to interrupt, delay or halt clinical trials of a product candidate. We, the FDA, or another regulatory authority may suspend or terminate clinical trials at any time if they or we believe the trial participants face unacceptable health risks.

Our business is subject to environmental regulations.

Our facilities and operations are subject to federal, state and local environmental and occupational health and safety requirements of the United States and foreign countries, including those relating to discharges of substances to the air, water and land, the handling, storage and disposal of hazardous materials and wastes and the cleanup of properties affected by pollutants. Failure to maintain compliance with these regulations could have a material adverse effect on our business or financial condition.

In the future, federal, state or local governments in the United States or foreign countries could enact new or more stringent laws or issue new or more stringent regulations concerning environmental and worker health and safety matters that could affect our operations. Also, in the future, contamination may be found to exist at our current or former facilities or off-site locations where we have sent wastes. We could be held liable for such newly discovered contamination which could have a material adverse effect on our business or financial condition. In addition, changes in environmental and worker health and safety requirements could have a material adverse effect on our business or financial condition.

If we fail to attract, hire and retain qualified personnel, we may not be able to design, develop, market or sell our products or successfully manage our business.

Our ability to attract new customers, retain existing customers and pursue our strategic objectives depends on the continued services of our current management, sales, product development and technical personnel and our ability to identify, attract, train and retain similar personnel. Competition for top management personnel is intense and we may not be able to recruit and retain the personnel we need. The loss of any one of our management personnel, or our inability to identify, attract, retain and integrate additional qualified management personnel, could make it difficult for us to manage our business successfully and pursue our strategic objectives. Similarly, competition for skilled sales, product

development and technical personnel is intense and we may not be able to recruit and retain the personnel we need. The loss of services of a number of key sales, product development and technical personnel, or our inability to hire new personnel with the requisite skills, could restrict our ability to develop new products or enhance existing products in a timely manner, sell products to our customers or manage our business effectively.

We may not be able to hire or retain qualified personnel if we are unable to offer competitive salaries and benefits. If our stock does not perform well, we may have to increase our salaries and benefits, which would increase our expenses and reduce our profitability.

We may be required to satisfy certain indemnification obligations to Allergan, and we may not be able to collect on indemnification rights from Allergan.

Under the terms of our contribution and distribution agreement with Allergan, we and Allergan have each agreed to indemnify each other from and after our spin-off with respect to the debt, liabilities and obligations retained by our respective companies. These indemnification obligations could be significant. The ability to satisfy these indemnities, if called upon to do so, will depend upon the future financial strength of each of our respective companies. We cannot determine whether we will have to indemnify Allergan for any substantial obligations, and we may not have control over the settlement of certain claims and lawsuits that may require partial indemnification by us. We also cannot assure you that, if Allergan is required to indemnify us for any substantial obligations, Allergan will have the ability to satisfy those obligations.

We may be responsible for federal income tax liabilities that relate to the distribution of our common stock by Allergan.

Allergan has received a ruling from the Internal Revenue Service to the effect that the spin-off qualified as a tax-free transaction. If either us or Allergan breach representations to each other or to the Internal Revenue Service, or if we or Allergan take or fail to take, as the case may be, actions that result in the spin-off failing to meet the requirements of a tax-free spin-off pursuant to Section 355 of the Internal Revenue Code, the party in breach will indemnify the other party for any and all resulting taxes. If we were required to pay any of the potential taxes described above, the payment would have a material adverse effect on our financial position.

If laser vision correction is not broadly accepted by both doctors and patients, our business, financial position and results of operations would be materially and adversely impacted.

Our business depends upon broad market acceptance of laser vision correction by both doctors and patients in the United States and key international markets. Our profitability and growth will be largely dependent on increasing levels of market acceptance and procedure growth, especially with regard to our higher-priced *CustomVue* procedure. Potential complications and side effects of laser vision correction include: post-operative discomfort, corneal haze (an increase in the light scattering properties of the cornea) during healing, glare/halos (undesirable visual sensations produced by bright lights), decreases in contrast sensitivity, temporary increases in intraocular pressure in reaction to procedure medication, modest fluctuations in refractive capabilities during healing, modest decrease in best corrected vision (i.e., with corrective eyewear), unintended over- or under-corrections, regression of effect, disorders of corneal healing, corneal scars, corneal ulcers, and induced astigmatism (which may result in blurred or double vision and/or shadow images). Some consumers may choose not to undergo laser vision correction because of these complications or more general concerns relating to its safety and efficacy or a resistance to surgery in general. Alternatively, some consumers may elect to delay undergoing laser vision

correction surgery because they believe improved technology or methods of treatment will be available in the near future. Should either the ophthalmic community or the general population turn away from laser vision correction as an alternative to existing methods of treating refractive vision disorders, or if future technologies replaced laser vision correction, these developments could delay or prevent market acceptance of laser vision correction, which could have a material adverse effect on our business, financial position and results of operations.

The possibility of long-term side effects and adverse publicity regarding laser correction surgery could seriously harm our business.

Laser vision correction is a relatively new procedure. Consequently, there is no long-term follow-up data beyond ten years that might reveal additional complications or unknown side effects. Any future reported side effects, other adverse events or unfavorable publicity involving patient outcomes resulting from the use of laser vision correction systems manufactured by us or any participant in the laser vision correction market, may have a material adverse effect on our business, financial position, and results of operations.

Less discretionary spending on vision correction could have a negative impact on our business, financial position, and results of operations.

Because laser vision correction is not subject to reimbursement from third-party payors such as insurance companies or government programs, the cost of laser vision correction is typically borne by individuals directly. Accordingly, weak or uncertain economic conditions may cause individuals to be less willing to incur the procedure cost associated with laser vision correction as was evidenced by VISX s decline in revenues from 2002 compared to 2001 and from 2001 compared to 2000. A decline in economic conditions, especially in the United States, could result in a decline in the number of laser vision correction procedures performed and could have a material adverse effect on our business, financial position, and results of operations.

While we devote significant resources to research and development, our research and development may not lead to new products that achieve commercial success.

Our research and development process is expensive, prolonged, and entails considerable uncertainty. Because of the complexities and uncertainties associated with ophthalmic research and development, products we are currently developing may not complete the development process or obtain the regulatory approvals required to market such products successfully. The products currently in our development pipeline may not be approved by regulatory entities and may not be commercially successful, and our current and planned products could be surpassed by more effective or advanced products. If we do not develop successful products, our revenue would be harmed.

Any failure by third party financing entities to satisfy their obligations to us would negatively impact our financial condition.

We have relationships with third party financing entities that purchase our products directly and subsequently lease and/or sell these products to end-user customers, or provide financing directly to customers who purchase products directly from us. Should any third party financing entity or entities fail or refuse to pay us in a timely manner or at all, it could negatively affect our cash flows and could have a material adverse effect on our business, financial position and results of operations.

If any of our employees, consultants or others breach their proprietary information agreements, our competitive position could be harmed.

We protect our proprietary technology, in part, through proprietary information and inventions agreements with employees, consultants and other parties. These agreements with employees and consultants generally contain standard provisions requiring those individuals to assign to us, without additional consideration, inventions conceived or reduced to practice by them while employed or retained by us, subject to customary exceptions. If any of our employees, consultants or others breach these agreements our competitors may learn of our trade secrets.

LASIK surgeons may not adopt our femtosecond laser product offering as an attractive alternative to the microkeratome for creating the corneal flap, or adoption may be slower than anticipated.

LASIK surgeons may not continue to adopt our femtosecond laser product offering, or may adopt our technology at a slower rate than we have anticipated, unless they determine, based on experience, clinical data and studies and published journal articles, including peer review articles, that our product offering provides significant benefits or an attractive alternative over the traditional method of creating the corneal flap using the microkeratome. In addition, we believe that recommendations and support of our laser by influential LASIK surgeons are essential for its market acceptance and adoption. If we do not receive support from such surgeons or from the data and experience of users, it may become difficult to have additional LASIK surgeons adopt our product offering. In such circumstances, we may not achieve expected revenues or profits. In order for the adoption rate of our technology to meet our expectations, patients must also continue to be willing to pay for LASIK surgery using our femtosecond product offering despite it being more expensive than LASIK surgery with the microkeratome. LASIK surgeons typically receive more income per eye when using our product offering instead of the traditional microkeratome.

Presently unknown side effects related to the use of our femtosecond laser could emerge in the future.

Use of the *IntraLase FS* laser to create the LASIK flap is a relatively new technique. Consequently there is no long term follow up data beyond five years that might reveal unknown side effects or complications associated specifically with this technique. The possibility of unfavorable side effects, and any concomitant adverse publicity, could seriously harm our business. In addition to the potential side effects and complications associated with LASIK generally, some LASIK surgeons have observed incidents of transient light sensitivity in patients treated with our system, although this has affected only a small percentage of patients and appears to resolve quickly with treatment. Any future reported adverse outcomes or pattern of side effects involving the use of our laser specifically, or with respect to LASIK procedures generally, could have a material adverse effect on our business, financial condition and results of operations.

Measures we take to ensure collection of femtosecond laser per procedure charges may be inadequate.

Generating per procedure revenues from our installed base of femtosecond lasers is a key aspect of our business. We charge our customers a per procedure fee for each eye treated. This fee is inclusive of a disposable patient interface, which is intended to be used on a single eye and discarded. We typically charge our customers procedure fees based on our shipments to them of per procedure disposable interfaces.

We believe that a small percentage of our customers, in an effort to avoid procedure fees, have in the past used a single patient interface to treat multiple eyes. If this practice (or other fee avoidance practices) were to continue or to proliferate, it could have a material adverse effect on our business.

Our proprietary *IntraLASIK* software contains a feature which requires the laser to periodically be reprogrammed in order to perform additional procedures. We have introduced technology which allows us to do this remotely using secure activation techniques. Over 90 percent of *IntraLase* lasers have been upgraded to new software versions that require either remote electronic activation when the customers order procedures or an *IntraLase*-generated activation code used by the customers at their sites. Secure activation capabilities allow us to align the number of procedures available on the laser with the number of patient interfaces purchased to prevent reuse. However, if these capabilities prove inadequate, or if other fee avoidance methods are devised which we are unable to detect or counter, or if we are unable to enhance all of the lasers in our worldwide installed base, this could have a material adverse effect on our business. By way of example, circumstances that could potentially hamper our enforcement efforts include: theft or disclosure of confidential passwords, improper or unauthorized tampering with laser hardware or software, lack of cooperation from international distributors, inability to obtain access to lasers in the field, legal impediments imposed by foreign jurisdictions and/or counterfeit patient interfaces.

RISKS RELATING TO THE INTRALASE CORP. ACQUISITION

Although we expect that the acquisition will result in benefits to the combined company, the combined company may not realize those benefits because of integration and other challenges.

Our ability to realize the anticipated benefits of the acquisition will depend, in part, on our ability to integrate the business of IntraLase with our business. The combination of two independent companies is a complex, costly and time-consuming process. This process may disrupt the business of either or both of the companies, and may not result in the full benefits expected by us. The difficulties of combining the operations of the companies include, among others:

- Ø coordinating marketing functions;
- Ø unanticipated issues in integrating information, communications and other systems;
- Ø unanticipated incompatibility of purchasing, logistics, marketing and administration methods;
- Ø retaining key employees;
- Ø consolidating corporate and administrative infrastructures;
- Ø the diversion of management s attention from ongoing business concerns; and
- Ø coordinating geographically separate organizations.

We cannot assure you that the combination of IntraLase with us will result in the realization of the full benefits anticipated from the acquisition.

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Use of proceeds

The exchange offer is intended to satisfy our obligations under the registration rights agreement into which we entered when we issued the old notes. We will not receive any cash proceeds from the exchange offer. In exchange for old notes that you tender pursuant to the exchange offer, you will receive new notes in like principal amount. The old notes that are surrendered in exchange for the new notes will be retired and canceled by us upon receipt and cannot be reissued. The issuance of the new notes under the exchange offer will not result in any increase in our outstanding debt.

The net proceeds from the sale of the old notes on April 2, 2007 were approximately $244.6 million, net of offering costs and fees. We used these net proceeds, together with approximately $533.7 million of borrowings under our new senior credit facility, to finance the acquisition of IntraLase, to pay related fees and expenses and for general corporate purposes.

Capitalization

The following table sets forth our capitalization as of March 30, 2007 on:

Ø an actual basis; and

Ø a pro forma basis after giving effect to the offering, the IntraLase acquisition and receipt of borrowings under the new senior credit facility.

This table should be read together with Use of proceeds and the consolidated financial statements and related notes incorporated by reference herein.

	As of March 30, 2007	
	Actual(1)	Pro Forma
	(in thousands, except per share data)	
Debt:		
New senior credit facility revolving	$	$ 83,725
New senior credit facility term loan		450,000
2 1/2% convertible senior subordinated notes due 2024	246,105	246,105
1.375% convertible senior subordinated notes due 2025	105,000	105,000
3.25% convertible senior subordinated notes due 2026	500,000	500,000
Notes offered hereby		250,000
Total long-term debt, including current portion	$ 851,105	$ 1,634,830
Stockholders equity:		
Preferred stock, $.01 par value; authorized 5,000,000 shares; none issued	$	$
Common stock, $.01 par value; authorized 240,000,000 shares; issued 59,512,106 shares	598	598
Additional paid-in capital	1,421,622	1,421,622
Accumulated deficit(2)	(718,411)	(814,511)
Accumulated other comprehensive income	34,478	34,478
Less treasury stock, at cost	(24)	(24)
Total stockholders equity	738,263	642,163
Total capitalization	$ 1,589,368	$ 2,276,993

(1) We had no outstanding indebtedness under our prior senior credit facility as of March 30, 2007.

(2) Pro Forma accumulated deficit includes an adjustment for in-process research and development of $96.1 million from the acquisition of IntraLase. This adjustment is preliminary and is based on our estimate. The amount ultimately allocated to in-process research and development may differ from this preliminary allocation.

Description of other indebtedness

NEW SENIOR CREDIT FACILITY

In April 2007, substantially concurrent with the closing of the IntraLase acquisition, we entered into new senior secured credit facilities consisting of a $300.0 million revolving credit facility and a $450.0 million term loan. Borrowings under each of the facilities will bear interest at the base rate or at LIBOR, plus an applicable margin. The revolving credit facility will mature in April 2013 and the term loan portion of the credit facility will mature in April 2014. The new senior secured credit facilities will be secured by substantially all of our assets and the assets of the guarantors. The credit facilities contain restrictive financial covenants as well as restrictions on, among other things, indebtedness, liens, fundamental changes, dispositions of property, restricted payments, capital expenditures and investments, subject to customary exceptions.

We used the proceeds of the term loan and borrowings made under the revolving credit facility on the closing date together with the proceeds from the notes to:

- finance the acquisition of IntraLase;
- pay related fees and expenses; and
- the remaining we intend to use for other general corporate purposes.

2 1/2% CONVERTIBLE NOTES

On June 22, 2004, we issued $350.0 million of our 2 1/2% convertible senior subordinated notes due 2024 (the 2 1/2% Convertible Notes), of which $246.1 million remained outstanding as of December 31, 2006. Interest on the 2 1/2% Convertible Notes is payable on January 15 and July 15 of each year, beginning on January 15, 2005. The 2 1/2% Convertible Notes are convertible into 19.9045 shares of common stock for each $1,000 principal amount of such 2 1/2% Convertible Notes (a conversion price of approximately $50.24 per share), subject to adjustment. The 2 1/2% Convertible Notes may be converted, at the option of the holders, on or prior to the final maturity date under certain circumstances, including:

- during any fiscal quarter commencing after September 24, 2004 if the closing sale price of our common stock measured over a specified number of trading days is above 130% of the conversion price then in effect;
- subject to certain exceptions, during the five business-day period following any five consecutive trading-day period in which for each day of such period the trading price of the 2 1/2% Convertible Notes is less than 95% of the conversion value;
- upon the occurrence of specified credit rating events with respect to the notes;
- if the 2 1/2% Convertible Notes have been called for redemption;
- if a fundamental change occurs; or

Ø upon the occurrence of specified corporate transactions.

We made an irrevocable election to satisfy in cash our conversion obligation with respect to the principal amount of any 2 1/2% Convertible Notes converted after December 15, 2004, with any remaining

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Description of other indebtedness

amount of the conversion obligation to be satisfied in shares of common stock, in each case, calculated as set forth in the indenture governing the 2 1/2% Convertible Notes.

The 2 1/2% Convertible Notes contain put options which may require us to repurchase all or a portion of the 2 1/2% Convertible Notes on January 15, 2010, July 15, 2014 and July 15, 2019 at a repurchase price of 100% of the principal amount plus accrued and unpaid interest, including contingent interest, if any, and additional interest, if any, plus, under certain circumstances, a make whole premium. Because of the irrevocable election described above, we are required to pay the repurchase price in cash.

1.375% CONVERTIBLE NOTES

On July 18, 2005, we issued $150.0 million of our 1.375% convertible senior subordinated notes due 2025 (the 1.375% Convertible Notes), of which $105.0 million remained outstanding as of December 31, 2006. Interest on the 1.375% Convertible Notes is payable on January 1 and July 1 of each year, beginning on January 1, 2006. The 1.375% Convertible Notes are convertible into 21.0084 shares of common stock for each $1,000 principal amount of such 1.375% Convertible Notes (a conversion price of approximately $47.60 per share), subject to adjustment. The 1.375% Convertible Notes may be converted, at the option of the holders, on or prior to the trading day preceding June 1, 2011, under certain circumstances, including:

- subject to certain exceptions, during the five business-day period following any five consecutive trading-day period in which for each day of such period the trading price of the 1.375% Convertible Notes is less than 103% of the conversion value;
- if a fundamental change occurs; or
- upon the occurrence of specified corporate transactions.

On and after June 1, 2011 and until the final maturity date, subject to certain exceptions, the 1.375% Convertible Notes may be converted, at the option of the holders, regardless of the foregoing conditions. Upon conversion, we will deliver up to $1,000 in cash for the return of principal and if the conversion value exceeds $1,000, then we will deliver shares of common stock to cover such excess value.

The 1.375% Convertible Notes contain put options which may require us to repurchase all or a portion of the 1.375% Convertible Notes on July 1, 2011, July 1, 2016 and July 1, 2021 at a repurchase price of 100% of the principal amount plus accrued and unpaid interest, including contingent interest, if any, and additional interest, if any, plus, under certain circumstances, a make whole premium.

3.25% CONVERTIBLE NOTES

On June 13, 2006, we issued $500.0 million of our 3.25% convertible senior subordinated notes due 2026 (the 3.25% Convertible Notes), all of which remain outstanding. Interest on the 3.25% Convertible Notes is payable on February 1 and August 1 of each year, beginning on February 1, 2007. The 3.25% Convertible Notes are convertible into 16.7771 shares of common stock for each $1,000 principal amount of such 3.25% Convertible Notes (a conversion price of approximately $59.61 per share), subject to adjustment. The 3.25% Convertible Notes may be converted, at the option of the holders, on or prior to the final maturity date under certain circumstances, including:

- during any fiscal quarter after the quarter ending September 30, 2004 if the closing sale price of our common stock measured over a specified number of trading days is above 130% of the conversion price then in effect;

Description of other indebtedness

- subject to certain exceptions, during the five business-day period following any five consecutive trading-day period in which for each day of such period the trading price of the 3.25% Convertible Notes is less than 98% of the conversion value;

- if a fundamental change occurs; or

- upon the occurrence of specified corporate transactions.

The 3.25% Convertible Notes contain put options which may require us to repurchase all or a portion of the 3.25% Convertible Notes on August 1, 2014, August 1, 2017 and August 1, 2021 at a repurchase price of 100% of the principal amount plus accrued and unpaid interest, including contingent interest, if any, and additional interest, if any, plus, under certain circumstances, a make whole premium.

The exchange offer

Purpose and Effect of the Exchange Offer

The new notes to be issued in the exchange offer will be exchanged for our old notes due 2017 that we issued on April 2, 2007. On that date, we issued $250 million aggregate principal amount at maturity of 7 1/2% senior subordinated notes due 2017. We issued the old notes in reliance upon an exemption from the registration requirements of the Securities Act. Concurrently, the initial purchasers of the old notes resold the old notes to investors believed to be qualified institutional buyers in reliance upon the exemption from registration provided by Rule 144A under the Securities Act and to non-U.S. persons in offshore transactions in reliance upon the exemption provided by Rule 903 or 904 of Regulation S of the Securities Act. As part of the offering we entered into a registration rights agreement pursuant to which we agreed to:

- Use commercially reasonable efforts to file with the Commission, a registration statement under the Securities Act with respect to the issuance of the new notes in an exchange offer;

- use all commercially reasonable efforts to cause that registration statement to become effective under the Securities Act; and

- use all commercially reasonable efforts to consummate the exchange offer by September 29, 2007.

We agreed to issue and exchange the new notes for all old notes validly tendered and not validly withdrawn prior to the expiration of the exchange offer. A copy of the registration rights agreement has been filed as an exhibit to Advanced Medical Optics, Inc. s Form 8-K filed on April 3, 2007.

For purposes of the exchange offer, the term holder means any person in whose name old notes are registered on the trustee s books or any other person who has obtained a properly completed bond power from the registered holder, or any person whose old notes are held of record by The Depository Trust Company (the Depositary or DTC) who desires to deliver the old notes by book-entry transfer at DTC. The terms exchange agent and trustee refer to Wilmington Trust Company.

If we do not comply the provisions described above, or if, in certain circumstances, we do not file a shelf registration statement within certain specified time periods, and in certain other circumstances, additional cash interest (Liquidated Damages) will accrue on the affected notes. The rate of Liquidated Damages will be 0.25% per annum for the first 90-day period immediately following the occurrence of the event (the Registration Default) requiring payment of Liquidated Damages, increasing by an additional 0.25% per annum, with respect to each subsequent 90-day period up to a maximum amount of additional interest of 1.00% per annum, from and including the date of the Registration Default to, but excluding, the earlier of (1) the date on which all Registration Defaults have been cured or (2) the date on which all the notes otherwise become freely transferable by holders other than our affiliates without further registration under the Securities Act.

Terms of the Exchange Offer

Subject to the terms and conditions of the exchange offer, we will issue $1,000 principal amount of new notes in exchange for each $1,000 principal amount of old notes properly surrendered pursuant to the exchange offer and not validly withdrawn prior to the expiration date. Old notes may be surrendered only in integral multiples of $1,000. The exchange offer is not conditioned upon any minimum amount of old notes being tendered.

The form and terms of the new notes are the same as the form and terms of the old notes except that:

Ø the new notes will be registered under the Securities Act and will not bear legends restricting the transfer of the new notes; and

Ø holders of the new notes will not be entitled to any of the registration rights of holders of old notes under the registration rights agreement.

The new notes will evidence the same indebtedness as the old notes, which they replace, and will be issued under, and be entitled to the benefits of, the same indenture under which the old notes were issued. As a result, both series of notes will be treated as a single class of debt securities under the indenture.

As of the date of this prospectus, $250 million in aggregate principal amount at maturity of the old notes is outstanding. All of the old notes are registered in the name of Cede & Co., as nominee for DTC. Solely for reasons of administration, we have fixed the close of business on May 31, 2007 as the record date for the exchange offer for purposes of determining the persons to whom this prospectus and the accompanying letter of transmittal will be mailed initially. There will be no fixed record date for determining holders of the old notes entitled to participate in the exchange offer.

In connection with the exchange offer, the laws of the State of New York, which govern the indenture and the notes, do not give you any appraisal or dissenters rights nor any other right to seek monetary damages in court. We intend to conduct the exchange offer in accordance with the provisions of the registration rights agreement and the applicable requirements of the Exchange Act and the related Commission rules and regulations.

For all relevant purposes, we will be regarded as having accepted properly surrendered old notes if and when we give oral or written notice of our acceptance to the exchange agent. The exchange agent will act as agent for the surrendering holders of old notes for the purposes of receiving the new notes from us.

If you surrender old notes in the exchange offer, you will not be required to pay brokerage commissions or fees. In addition, subject to the instructions in the letter of transmittal, you will not have to pay transfer taxes for the exchange of old notes. We will pay all charges and expenses, other than certain applicable taxes described under Other Fees and Costs.

Conditions to the Exchange Offer; Waivers

Notwithstanding any other term of the exchange offer, we will not be required to accept for exchange, or exchange new notes for, any old notes, and may, prior to the expiration of the exchange offer, terminate or amend the exchange offer as provided in this prospectus before the expiration of the exchange offer, if any law, statute, rule or regulation is adopted or enacted, or any existing law, statute, rule or regulation is interpreted by the Staff of the Commission in a manner, which, in our judgment, might materially impair our ability to proceed with the exchange offer.

If we determine in our sole discretion that any of the above conditions are not satisfied, we may (i) refuse to accept any old notes and return all tendered old notes to the tendering holders, (ii) extend the exchange offer and retain all old notes tendered prior to the expiration of the exchange offer, subject, however, to the rights of holders to withdraw the old notes (see Withdrawal of Tenders) or (iii) waive the unsatisfied conditions with respect to the exchange offer and accept all properly tendered old notes which have not been withdrawn.

The exchange offer

Consequences to Holders of Old Notes Not Tendering in the Exchange Offer

Participation in the exchange offer is voluntary. You are urged to consult your legal, financial and tax advisors in making your decisions on what action to take.

Old notes that are not exchanged will remain restricted securities within the meaning of Rule 144(a)(3) of the Securities Act. Accordingly, they may not be offered, sold, pledged or otherwise transferred except:

- to a person who the seller reasonably believes is a qualified institutional buyer in a transaction meeting the requirements of Rule 144A,
- in a transaction meeting the requirements of Rule 144 under the Securities Act, if available,
- outside the United States to a foreign purchaser in a transaction meeting the requirements of Regulation S under the Securities Act, or
- to an accredited investor within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act (an Institutional Accredited Investor) that is purchasing at least $100,000 of securities for its own account or for the account of an Institutional Accredited Investor (and based upon an opinion of counsel if we so request),
- to us or any of our subsidiaries, or
- under an effective registration statement and,

in each case, in compliance with any applicable securities laws of any state of the United States or any other applicable jurisdiction. A holder of the old notes is required to notify any later purchaser from it of the resale restrictions described above. If any resale or other transfer of the old notes is proposed to be made to an Institutional Accredited Investor that is purchasing at least $100,000 of securities for its own account or for the account of an Institutional Accredited Investor while these transfer restrictions are in force, then the transferor shall deliver a letter from the transferee to us and the Trustee, as the case may be, which shall provide, among other things, that the transferee is an Institutional Accredited Investor and that it is acquiring the securities for investment purposes and not for distribution in violation of the Securities Act.

Expiration Date; Extensions; Amendments

The expiration date is 5:00 p.m., New York City time on July 5, 2007 unless we extend the exchange offer, in which case, the expiration date is the latest date and time to which we extend the exchange offer.

In order to extend the exchange offer, we will:

- notify the exchange agent of any extension by oral or written notice; and
- issue a press release or other public announcement that would include disclosure of the approximate number of old notes deposited and that would be issued prior to 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date.

We reserve the right:

- to delay accepting any old notes;

- to extend the exchange offer or to terminate or amend the exchange offer, and not accept for exchange any old notes not previously accepted for exchange, upon the occurrence of any of the events set forth in Conditions to the Exchange Offer by giving oral or written notice to the exchange agent; or

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Ø to waive any conditions or otherwise amend the exchange offer in any respect, by giving oral or written notice to the exchange agent.

Any delay in acceptance, extension, termination or amendment will be followed as soon as practicable by a press release or other public announcement or post-effective amendment to the registration statement.

If the exchange offer is amended in a manner determined by us to constitute a material change, we will promptly disclose that amendment by means of a prospectus supplement or post-effective amendment that will be distributed to the holders. We will also extend the exchange offer for a period of five to ten business days, depending upon the significance of the amendment and the manner of disclosure to the holders, if the exchange offer would otherwise expire during the five to ten business day period.

We will have no obligation to publish, advertise or otherwise communicate any public announcement of any delay, extension, amendment (other than amendments constituting a material change to the exchange offer) or termination that we may choose to make, other than by making a timely release to an appropriate news agency.

Effect of Surrendering Old Notes

By surrendering old notes pursuant to the exchange offer, you will be representing to us that, among other things:

Ø you are acquiring the new notes in the ordinary course of your business;

Ø if you are not a broker-dealer, you are not engaged in, and do not intend to engage in, the distribution of the new notes (within the meaning of the Securities Act);

Ø if you are a broker-dealer, that will receive new notes for your own account in exchange for old notes that were acquired as a result of market-making or other trading activities, you will deliver a prospectus in connection with any resale of such new notes;

Ø you have no arrangement or understanding with anyone to participate in a distribution of the new notes; and

Ø you are not an affiliate of Advanced Medical Optics, Inc. within the meaning of Rule 405 under the Securities Act.

The tender of old notes by a holder and our acceptance thereof will constitute an agreement between the holder and us in accordance with the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal or agent s message.

Interest on the New Notes

The new notes will accrue interest on the same terms as the old notes at the rate of 7 1/2% per year from April 2, 2007. Holders of old notes accepted for exchange will not receive accrued interest thereon at the time of exchange. However, each registered note will bear interest from the most recent date to which interest has been paid on the old notes, or if no interest has been paid on the old notes or the new notes, from April 2, 2007.

Resale of the New Notes

We believe that you will be allowed to resell the new notes to the public without registration under the Securities Act and without delivering a prospectus that satisfies the requirements of Section 10 of the

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Securities Act, if you can make the representations set forth above under Effect of Surrendering Old Notes. However, if you intend to participate in a distribution of the new notes, you must comply with the registration requirements of the Securities Act and deliver a prospectus in connection with resales, unless an exemption from registration is otherwise available. In addition, you will be subject to additional restrictions if you are an affiliate of Advanced Medical Optics, Inc. as defined under Rule 405 of the Securities Act. You will be required to represent to us in the letter of transmittal accompanying this prospectus that you meet these conditions exempting you from the registration requirements.

Our belief that you will be allowed to resell the new notes without registration is based on Securities and Exchange Commission interpretations expressed in no-action letters to other issuers in exchange offers like ours. However, we have not asked the Securities and Exchange Commission to consider this particular exchange offer in the context of a no-action letter. Therefore, you cannot be certain that the Securities and Exchange Commission s interpretations applicable to other exchange offers will apply to the exchange offer.

A broker-dealer that purchased old notes for market-making or other trading activities must acknowledge that it must deliver a prospectus in order to resell any new notes it receives for its own account in the exchange offer. The letter of transmittal accompanying this prospectus states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit it is an underwriter within the meaning of the Securities Act. This prospectus may be used by a broker-dealer to resell any of its new notes where such new notes were acquired by the broker-dealer as a result of market-making or other trading activities. We have agreed in the registration rights agreement to send this prospectus to any broker-dealer that requests copies in the letter of transmittal for a period ending on the earlier of (i) 180 days from the date on which this registration statement is declared effective and (ii) the date on which each such broker-dealer has notified us that such broker-dealer has resold all of the new notes acquired by it in the exchange offer. See Plan of distribution for more information regarding broker-dealers.

Acceptance of Old Notes for Exchange; Delivery of New Notes

On the settlement date, new notes to be issued in exchange for old notes in the exchange offer, if consummated, will be delivered in book-entry form.

We will be deemed to have accepted validly tendered old notes that have not been validly withdrawn as provided in this prospectus when, and if, we have given oral or written notice thereof to the exchange agent. Subject to the terms and conditions of the exchange offer, delivery of new notes will be made by the exchange agent on the settlement date upon receipt of such notice. The exchange agent will act as agent for tendering holders of the old notes for the purpose of receiving old notes and transmitting new notes as of the settlement date with respect to the old notes. If any tendered old notes are not accepted for any reason set forth in the terms and conditions of the exchange offer, those unaccepted old notes will be returned without expense to the tendering holder as promptly as practicable after the expiration or termination of the exchange offer.

Procedures for Tendering

To tender in the exchange offer, a holder of old notes must either:

(i) complete, sign and date the letter of transmittal (or a facsimile thereof) in accordance with its instructions, including guaranteeing the signature(s) to the letter of transmittal, if required, and mail

or otherwise deliver such letter of transmittal or such facsimile, together with the certificates representing the old notes specified therein, to the exchange agent at the address set forth in the letter of transmittal for receipt on or prior to the expiration date; or

(ii) comply with the DTC s Automated Tender Offer Program (ATOP) procedures for book-entry transfer described below on or prior to the expiration date.

The exchange agent and DTC have confirmed that the exchange offer is eligible for ATOP. The letter of transmittal (or facsimile thereof), with any required signature guarantees, or (in the case of book-entry transfer) an agent s message in lieu of the letter of transmittal, and any other required documents, must be transmitted to and received by the exchange agent on or prior to the expiration date of the exchange offer at one of its addresses set forth under Exchange Agent in this prospectus or as set forth in the letter of transmittal. Old notes will not be deemed surrendered until the letter of transmittal and signature guarantees, if any, or agent s message, are received by the exchange agent.

The method of delivery of old notes, the letter of transmittal, and all other required documents to the exchange agent is at the election and risk of the holder. Instead of delivery by mail, holders should use an overnight or hand delivery service, properly insured. In all cases, sufficient time should be allowed to assure delivery to and receipt by the exchange agent on or before the expiration date. Do not send the letter of transmittal or any old notes to anyone other than the exchange agent.

A holder of old notes who wishes to accept the exchange offer, and whose old notes are held by a custodial entity such as a bank, broker, dealer, trust company or other nominee, must instruct the custodial entity to tender and consent with respect to that holder s old notes on the holder s behalf pursuant to the procedures of the custodial entity. See Instructions to Registered Holder and/or Book-Entry Transfer Facility Participant from Beneficial Owner included with the letter of transmittal.

All new notes will be delivered only in book-entry form through DTC. Accordingly, if you anticipate tendering other than through DTC, you are urged to contact promptly a bank, broker or other intermediary (that has the capability to hold securities custodially through DTC) to arrange for receipt of any new notes to be delivered to you pursuant to the exchange offer and to obtain the information necessary to provide the required DTC participant with account information for the letter of transmittal.

Book-Entry Delivery Procedures for Tendering Old Notes Held with DTC

If you wish to tender old notes held on your behalf by a nominee with DTC, you must:

(i) inform your nominee of your interest in tendering your old notes pursuant to the exchange offer; and

(ii) instruct your nominee to tender all old notes you wish to be tendered in the exchange offer into the exchange agent s account at DTC on or prior to the expiration date. Any financial institution that is a nominee in DTC, including Euroclear and Clearstream, must tender old notes by effecting a book-entry transfer of the old notes to be tendered in the exchange offer into the account of the exchange agent at DTC by electronically transmitting its acceptance of the exchange offer through the ATOP procedures for transfer. DTC will then edit and verify the acceptance, execute a book-entry delivery to the exchange agent s account at DTC, and send an agent s message to the exchange agent. An agent s message is a message, transmitted by DTC to and received by the exchange agent and forming part of a book-entry confirmation, which states that DTC has received an express acknowledgement from an organization that participates in DTC (a participant) tendering old notes that the participant has received and agrees to be bound by the terms of the letter of

transmittal and that we may enforce the agreement against the participant. A letter of transmittal need not accompany tenders effected through ATOP.

Proper Execution and Delivery of Letter of Transmittal

Signatures on a letter of transmittal or notice of withdrawal described below (see Withdrawal of Tenders), as the case may be, must be guaranteed by an eligible institution unless the old notes tendered pursuant to the letter of transmittal are tendered (i) by a holder who has not completed the box entitled Special Delivery Instructions or Special Issuance Instructions on the letter of transmittal or (ii) for the account of an eligible institution. If signatures on a letter of transmittal or notice of withdrawal are required to be guaranteed, such guarantee must be made by an eligible guarantor institution within the meaning of Rule 17Ad-15 under the Exchange Act.

If the letter of transmittal is signed by the holder(s) of old notes tendered thereby, the signature(s) must correspond with the name(s) as written on the face of the old notes without alteration, enlargement or any change whatsoever. If any of the old notes tendered thereby are held by two or more holders, all such holders must sign the letter of transmittal. If any of the old notes tendered thereby are registered in different names on different old notes, it will be necessary to complete, sign and submit as many separate letters of transmittal, and any accompanying documents, as there are different registrations of certificates.

If old notes that are not tendered for exchange pursuant to the exchange offer are to be returned to a person other than the holder thereof, certificates for such old notes must be endorsed or accompanied by an appropriate instrument of transfer, signed exactly as the name of the registered owner appears on the certificates, with the signatures on the certificates or instruments of transfer guaranteed by an eligible institution.

If the letter of transmittal is signed by a person other than the holder of any old notes listed therein, such old notes must be properly endorsed or accompanied by a properly completed bond power, signed by such holder exactly as such holder s name appears on such old notes. If the letter of transmittal or any old notes, bond powers or other instruments of transfer are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and, unless waived by us, evidence satisfactory to us of their authority to so act must be submitted with the letter of transmittal.

No alternative, conditional, irregular or contingent tenders will be accepted. By executing the letter of transmittal (or facsimile thereof), the tendering holders of old notes waive any right to receive any notice of the acceptance for exchange of their old notes. Tendering holders should indicate in the applicable box in the letter of transmittal the name and address to which payments and/or substitute certificates evidencing old notes for amounts not tendered or not exchanged are to be issued or sent, if different from the name and address of the person signing the letter of transmittal. If no such instructions are given, old notes not tendered or exchanged will be returned to such tendering holder.

All questions as to the validity, form, eligibility (including time of receipt), and acceptance and withdrawal of tendered old notes will be determined by us in our absolute discretion, which determination will be final and binding. We reserve the absolute right to reject any and all tendered old notes determined by us not to be in proper form or not to be properly tendered or any tendered old notes our acceptance of which would, in the opinion of our counsel, be unlawful. We also reserve the right to waive, in our absolute discretion, any defects, irregularities or conditions of tender as to particular old

notes, whether or not waived in the case of other old notes. Our interpretation of the terms and conditions of the exchange offer (including the instructions in the letter of transmittal) will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of old notes must be cured within such time as we shall determine. Although we intend to notify holders of defects or irregularities with respect to tenders of old notes, neither we, the exchange agent nor any other person will be under any duty to give such notification or shall incur any liability for failure to give any such notification. Tenders of old notes will not be deemed to have been made until such defects or irregularities have been cured or waived. Any old notes received by the exchange agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned by the exchange agent to the tendering holders, unless otherwise provided in the letter of transmittal, as soon as practicable following the expiration date.

Any holder whose old notes have been mutilated, lost, stolen or destroyed will be responsible for obtaining replacement securities or for arranging for indemnification with the trustee of the old notes. Holders may contact the exchange agent for assistance with such matters.

Guaranteed Delivery Procedures

If you wish to tender your old notes and (i) your old notes are not immediately available, (ii) you cannot deliver your old notes, the letter of transmittal or any other required documents to the exchange agent or (iii) you cannot complete the procedures for book-entry transfer, prior to the expiration date, you may participate in the exchange offer if:

- Ø the tender is made through an eligible institution;

- Ø prior to the expiration date, the exchange agent receives from the eligible institution a properly completed and duly executed notice of guaranteed delivery by facsimile transmission, mail or hand delivery setting forth the name and address of the holder, the certificate number(s) of the old notes and the principal amount of old notes tendered, stating that the tender is being made thereby and guaranteeing that, within three New York Stock Exchange trading days after the expiration date, the letter of transmittal or facsimile thereof together with the certificate(s) representing the old notes or a confirmation of book-entry transfer of the old notes into the exchange agent s account at DTC, and any other documents required by the letter of transmittal will be deposited by the eligible institution with the exchange agent; and

- Ø the properly completed and executed letter of transmittal or facsimile thereof, as well as the certificate(s) representing all tendered old notes in proper form for transfer or a confirmation of book-entry transfer of the old notes into the exchange agent s account at DTC, and all other documents required by the letter of transmittal are received by the exchange agent within three New York Stock Exchange trading days after the expiration date.

Upon request to the exchange agent, a Notice of Guaranteed Delivery will be sent to holders who wish to tender their outstanding notes according to the guaranteed delivery procedures set forth above.

Withdrawal of Tenders

You may withdraw tenders of old notes at any time prior to the expiration date.

For a withdrawal of a tender to be effective, a written or facsimile transmission notice of withdrawal must be received by the exchange agent prior to the deadline described above at its address set forth below. The withdrawal notice must:

- specify the name of the person who tendered the old notes to be withdrawn;
- contain a description of the old notes to be withdrawn, the certificate numbers shown on the particular certificates evidencing such old notes and the aggregate principal amount represented by such old notes; and
- be signed by the holder of those old notes in the same manner as the original signature on the letter of transmittal, including any required signature guarantees, or be accompanied by evidence satisfactory to us that the person withdrawing the tender has succeeded to the beneficial ownership of the old notes; and
- specify, in the case of old notes tendered by delivery of certificates for such old notes, the name of the registered holder, if different from that of the tendering holder or, in the case of old notes tendered by book-entry transfer, the name and number of the account at DTC to be credited with the withdrawn old notes.

The signature on the notice of withdrawal must be guaranteed by an eligible institution unless the old notes have been tendered for the account of an eligible institution.

All questions as to the validity, form and eligibility, including time of receipt, of the notices of withdrawal will be determined by us, which determination will be final and binding on all parties.

Withdrawal of tenders of old notes may not be rescinded, and any old notes properly withdrawn will be deemed not validly tendered for purposes of the exchange offer. Any old notes which have been tendered but which are not accepted for exchange will be returned to the holder thereof without cost to the holder as soon as practicable after withdrawal, rejection of tender or termination of the exchange offer. Properly withdrawn old notes may, however, be retendered by again following one of the procedures described in Procedures for Tendering prior to the expiration date.

Exchange Agent

Wilmington Trust Company has been appointed the exchange agent for the exchange offer. You should direct any questions and requests for additional copies of this prospectus, the letter of transmittal or the notice of guaranteed delivery to the exchange agent. Letters of transmittal and all correspondence in connection with the exchange offer should be sent or delivered by each holder of old notes, or a beneficial owner s commercial bank, broker, dealer, trust company or other nominee, to the exchange agent as follows:

For Delivery by Hand, Overnight Delivery, Registered or Certified Mail:	***By Facsimile Transmission***
Wilmington Trust Company Attention: Alisha Clendaniel 1100 North Market Street Rodney Square North Wilmington, Delaware 19890-1626	(for eligible institutions only): (302) 636-4139 Attention: Exchanges ***For Information by Telephone:*** (302) 636-6470

Delivery of the letter of transmittal to an address other than as listed above or transmission via facsimile other than as listed above will not constitute a valid delivery of the letter of transmittal. Originals of all documents sent by facsimile should be sent promptly by registered or certified mail, by hand or overnight delivery service.

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We will pay the exchange agent reasonable and customary fees for its services and will reimburse it for its reasonable, out-of-pocket expenses in connection with the exchange offer.

Other Fees and Costs

We will bear the costs of soliciting tenders of the old notes.

We have not retained any dealer-manager in connection with the exchange offer and will not make any payments to brokers, dealers or others soliciting acceptances of the exchange offer.

We will also pay other costs to be incurred in connection with the exchange offer, including, among others, accounting and legal fees and printing costs.

Tendering holders of old notes will not be required to pay any fee or commission. If, however, a tendering holder handles the transaction through its broker, dealer, commercial bank, trust company or other institution, the holder may be required to pay brokerage fees or commissions.

Accounting Treatment

Since they represent the same indebtedness, the new notes will be recorded at the same carrying value as the old notes as reflected in our accounting records on the date of the exchange. Accordingly, we will not recognize any gain or loss for accounting purposes upon the completion of the exchange offer. The costs of the exchange offer will be capitalized as deferred costs and amortized to expense over the term of the exchange notes.

Description of the notes

The old notes were and the new notes will be issued pursuant to an Indenture, dated as of April 2, 2007 (the *Indenture*), by and among us, the Guarantors and Wilmington Trust Company, as trustee (the *Trustee*). The old notes and the new notes are referred to collectively as (the *Notes*). The terms of the Notes include those set forth in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (the *TIA*). The Notes are subject to all such terms, and holders of Notes are referred to the Indenture and the TIA for a statement thereof. You may obtain a copy of the Indenture from us at our address set forth elsewhere in this prospectus.

The following are summaries of certain terms and provisions of the Notes, the Indenture and the Registration Rights Agreement dated as of April 2, 2007 (the *Registration Rights Agreement*), by and among us and the initial purchasers. The following summaries do not purport to be a complete description and are subject to the detailed provisions of, and qualified in its entirety by reference to, the Notes, the Indenture and Registration Rights Agreement. We urge to read the Indenture because it, and not this description, defines your rights as a holder of the Notes.

You can find definitions of certain capitalized terms used in this description under the heading *Certain Definitions*. For purposes of this section only, references to the *Issuer*, *we*, *our* or *us* means Advanced Medical Optics, Inc., a Delaware corporation, and its successors in accordance with the terms of the Indenture and does not include any of its subsidiaries.

PRINCIPAL, MATURITY AND INTEREST

On the issue date, we issued Notes with a maximum aggregate principal amount of $250.0 million. The Indenture provides, in addition to the $250.0 million aggregate principal amount of Notes being issued on the issue date, for the issuance of additional Notes having identical terms and conditions to the Notes offered hereby (the *Additional Notes*), subject to compliance with the terms of the Indenture, including the covenant *Certain Covenants Limitation on Additional Indebtedness and Disqualified Equity Interests*. Any such Additional Notes would be treated as part of the same series of securities as the Notes and would vote together with the holders of the Notes issued on the issue date as one series on all matters with respect to the Notes. All references to Notes herein includes the Additional Notes, except as stated otherwise.

The Notes will mature on May 1, 2017. The Notes will bear interest at the rate per annum shown on the cover page hereof from the date of issuance or from the most recent date to which interest has been paid or provided for, payable semi-annually in arrears on May 1 and November 1 of each year, commencing on November 1, 2007 (each, an *Interest Payment Date*), to the Persons in whose names such Notes are registered at the close of business on April 15 or October 15, as the case may be, immediately preceding the relevant Interest Payment Date. Interest on the Notes will be computed on the basis of a 360-day year consisting of twelve 30-day months.

The Notes will be issued in registered form, without coupons, and in denominations of $1,000 and integral multiples of $1,000.

METHODS OF RECEIVING PAYMENTS ON THE NOTES

Principal of, premium, if any, and interest on the Notes will be payable, and the Notes may be presented for registration of transfer or exchange, at our office or agency maintained for such purpose, which office

or agency shall be maintained in the Borough of Manhattan, The City of New York. Except as set forth below, at our option, payment of interest may be made by check mailed to the holders of Notes at the addresses set forth upon our registry books. If a Holder has given wire transfer instructions to us at least ten Business Days prior to the applicable payment date, we will make all payments on such Holder s Notes by wire transfer of immediately available funds to the account specified in those instructions. No service charge will be made for any registration of transfer or exchange of the Notes, but we may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith. Until otherwise designated by us, our office or agency will be the corporate trust office of the Trustee presently located at the office of the Trustee in the Borough of Manhattan, The City of New York.

Subordination of Notes