

GENERAL CABLE CORP /DE/

Form POS AM

July 22, 2004

As filed with the Securities and Exchange Commission on July 22, 2004

Registration No. 333-111436

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

POST-EFFECTIVE
AMENDMENT NO. 4 TO
FORM S-3 REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

GENERAL CABLE CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

06-1398235
(I.R.S. Employer
Identification No.)

4 Tesseneer Drive
Highland Heights, Kentucky 41076
(859) 572-8000

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Robert J. Siverd
Executive Vice President, General Counsel and Secretary
General Cable Corporation
4 Tesseneer Drive
Highland Heights, Kentucky 41076
(859) 572-8000

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copy to:
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Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this Registration Statement, as determined in light of market and other conditions.

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

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

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

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

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box.

This Post-Effective Amendment No. 4 to Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to Section 8(c) of the Securities Act of 1933, as amended, may determine.

GENERAL CABLE CORPORATION

2,070,000 Shares of 5.75% Series A

**Redeemable Convertible Preferred Stock
10,345,860 Shares of Common Stock
issuable upon conversion of the Preferred Stock**

We originally issued the preferred stock in a private placement on November 24, 2003. This prospectus relates to resales of the preferred stock and to common stock that may be issued upon conversion of the preferred stock by securityholders named under the caption "Selling Securityholders" in this prospectus.

Each share of preferred stock has an initial liquidation preference of \$50.00 and was convertible initially into 4.998 shares of our common stock, based on an initial conversion price of \$10.004 per share, subject in each case to specified adjustments. Our common stock trades on The New York Stock Exchange under the symbol "BGC". On July 21, 2004, the closing sale price of our common stock was \$9.12 per share.

Dividends on the preferred stock are payable on February 24, May 24, August 24 and November 24 of each year. Dividends accrue from the beginning of the relevant dividend period at the annual rate of 5.75% of the liquidation preference per share.

We will pay dividends on a dividend payment date either, at our option and subject to agreed upon conditions, in cash or by delivering shares of our common stock to the transfer agent to be sold on the holders' behalf, resulting in net cash proceeds to be distributed to the holders in an amount equal to the cash dividend otherwise payable. If we do not pay dividends in full on more than six dividend payment dates, whether or not consecutive, the per annum dividends rate will be deemed to have increased by 2% on the date following such sixth dividend payment date.

We are obligated to redeem all outstanding shares of preferred stock on November 24, 2013 at a redemption price equal to 100% of the then liquidation preference, plus accrued and unpaid dividends. We may, at our option, elect to pay the redemption price in cash or in shares of our common stock valued at a discount of 5% from its market price, or any combination thereof. We have the option to redeem some or all of the outstanding shares of preferred stock in cash on or after November 24, 2008 at the redemption prices set forth in this prospectus.

An investment in the preferred stock or common stock involves a high degree of risk. You should carefully consider the risk factors beginning on page 7 of this prospectus and any other information in this prospectus before deciding to purchase the preferred stock or common stock.

The securities offered in this prospectus have not been recommended by the Securities and Exchange Commission or any state or foreign securities commission or any regulatory authority. These authorities have not confirmed the accuracy or determined the adequacy of this prospectus. Any representation to the contrary is a criminal offense.

This prospectus is dated July 22, 2004.

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This prospectus includes trademarks, service marks and trade names owned by us or other companies. All trademarks, service marks and trade names included in this prospectus are the property of their respective owners.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The SEC's rules allow us to incorporate by reference information into this prospectus. This means that we can disclose important information to you by referring you to another document. Any information referred to in this way is considered part of this prospectus from the date we file that document. Any reports filed by us with the SEC after the date of the initial filing of the registration statement of which this prospectus forms a part and prior to the effectiveness of such registration statement, as well as any reports filed by us with the SEC after the date of this prospectus and before the date that the offering of the securities is terminated, will automatically update and, where applicable, supersede any information contained in this prospectus or incorporated by reference in this prospectus.

We incorporate by reference into this prospectus the following documents filed with the SEC:

Our Annual Report on Form 10-K for the year ended December 31, 2003, filed on March 12, 2004.

The portion of our definitive Proxy Statement for the 2004 Annual Meeting of Shareholders, filed March 29, 2004, specifically incorporated by reference into Items 10 (Directors and Officers), 11 (Executive Compensation) and 13 (Certain Relationships and Related Transactions) of our Annual Report on Form 10-K for the year ended December 31, 2003, filed on March 12, 2004.

Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2004, filed on May 7, 2004.

Our Current Report on Form 8-K dated January 28, 2004.

Our Current Report on Form 8-K dated April 21, 2004.

Our Current Report on Form 8-K dated July 20, 2004.

The description of our common stock, filed in our Form 8-A (File No. 1-1983), as filed with the SEC on May 13, 1997, pursuant to Section 12(b) of the Exchange Act of 1934 as incorporated by reference from our registration statement on Form S-1 (File No. 333-22961) initially filed with the SEC on March 7, 1997, and any amendment or report for the purpose of updating such description.

All documents filed by us under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 (excluding all information and related exhibits furnished in a Current Report on Form 8-K pursuant to Item 9 or Item 12) after the date of this prospectus and before the termination of this offering.

We will provide without charge to each person to whom this prospectus is delivered, upon his or her written or oral request, a copy of the filed documents referred to above, excluding exhibits, unless they are specifically incorporated by reference into those documents. You can request those documents from our Director of Investor Relations, 4 Tessenner Drive, Highland Heights, Kentucky 41076, telephone (859) 572-8000.

WHERE YOU CAN FIND MORE INFORMATION

We are required to file annual, quarterly and special reports, proxy statements, any amendments to those reports and other information with the SEC. You may read and copy any documents filed by us with the SEC at the SEC's public reference room at 450 Fifth Street, N.W., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Reports, proxy statements and information statements, any amendments to those reports and other information filed electronically by us with the SEC are available to the public at the SEC's website at <http://www.sec.gov>.

We have filed a registration statement on Form S-3 with the SEC relating to the securities covered by this prospectus. This prospectus is a part of the registration statement and does not contain all of the information in the registration statement. Whenever a reference is made in this prospectus to a contract or other document of General Cable, please be aware that the reference is only a summary and that you should refer to the exhibits that are a part of the registration statement for a copy of the contract or other document. You may review a copy of the registration statement at the SEC's public reference room in Washington, D.C., as well as through the SEC's website.

THE COMPANY

We are a FORTUNE 1000 company that is a leading global developer and manufacturer in the wire and cable industry. Our operations are divided into three main segments: energy, industrial & specialty and communications. Our energy cable products include low-, medium- and high-voltage power distribution and power transmission products for overhead and buried applications. Our industrial & specialty wire and cable products conduct electrical current for industrial, OEM, commercial and residential power and control applications. Our communications wire and cable products transmit low-voltage signals for voice, data, video and control applications. Our principal executive offices are located at 4 Tesseneer Drive, Highland Heights, Kentucky 41076, telephone (859) 572-8000.

SUMMARY OF THE TERMS OF THE PREFERRED STOCK

The following is a brief summary of selected terms of the preferred stock. For a more complete description of the terms of the preferred stock, see the section of this prospectus entitled "Description of the Preferred Stock."

Issuer	General Cable Corporation.
Securities Offered	2,070,000 shares of our 5.75% Series A redeemable convertible preferred stock.
Liquidation Preference	\$50.00 per share.
Dividends	<p>Dividend payment rate: annual rate of 5.75% of the liquidation preference per share, accruing from the beginning of the relevant dividend period.</p> <p>Dividend payment dates: quarterly in arrears, on February 24, May 24, August 24 and November 24 of each year. Form of dividend payment: dividends are payable, at our option:</p> <p>in cash; or</p> <p>in shares of our common stock delivered to the transfer agent to be sold on the holders' behalf resulting in net cash proceeds to be distributed to the holders in an amount equal to the cash dividend otherwise payable; or</p> <p>any combination of the foregoing.</p> <p>If we pay dividends by delivering shares of our common stock to the transfer agent, those shares will be owned beneficially by the holders of the preferred stock upon delivery of such shares to the transfer agent, and the transfer agent will hold those shares and the net cash proceeds from the sale of those shares for the exclusive benefit of the holders. To pay dividends in this manner, we must provide the transfer agent with a registration statement permitting the immediate sale of the shares of common stock in the public market. We cannot assure you that we will be able to timely file, cause to be declared effective or keep effective any such registration statement.</p> <p>If we do not pay dividends in full on the preferred stock on more than six dividend payment dates, whether or not consecutive, the per annum dividend rate on the preferred stock will be deemed to have increased by 2% on the date following the sixth dividend payment date. Once all accrued and unpaid or accumulated dividends have been paid in full, the dividend rate will return to the rate set forth on the cover of this prospectus. If we again do not pay dividends in full on any dividend payment date, the per annum dividend rate will again increase by 2%.</p>
Optional Redemption	We will have the option to redeem some or all of the outstanding shares of preferred stock in cash on or after November 24, 2008 at the redemption prices set forth in this prospectus under the heading "Description of the Preferred Stock - Optional Redemption."

Mandatory Redemption	<p>We will be obligated to redeem all outstanding shares of the preferred stock at a redemption price equal to the liquidation price thereof, plus all accrued and unpaid or accumulated dividends, on November 24, 2013.</p> <p>We may, at our option, elect to pay the redemption price in cash or in shares of our common stock at a discount of 5% from their market price, or any combination thereof. We may pay such redemption price only if we have funds legally available for such payment and may pay in shares of our common stock only if such shares are eligible for immediate sale in the public market either (i) by non-affiliates of ours absent a registration statement or (ii) pursuant to a registration statement that has become effective.</p>
Conversion	<p>The preferred stock may be converted at the option of the holder into our common stock at any time.</p> <p>Initial conversion price: \$10.004 per share of common stock, subject to adjustment in a number of circumstances described under Description of the Preferred Stock Conversion Rights Adjustments to the Conversion Price. The initial conversion price is equivalent to an initial conversion rate of 4.998 shares of common stock for each \$50.00 liquidation preference of the preferred stock.</p>
Conversion at Our Option Under Certain Circumstances	<p>We may cause the conversion of all outstanding shares of preferred stock on or after November 24, 2008, if less than 103,500 shares of preferred stock remain outstanding, into shares of common stock equal to the liquidation preference, plus all accrued and unpaid or accumulated dividends, divided by the lesser of (i) the initial conversion price, as adjusted, and (ii) the market price of our common stock for a five trading day period ending on the third trading day prior to the date of any such mandatory conversion.</p>
Anti-dilution Adjustments	<p>The initial conversion price may be adjusted if certain events occur. See Description of the Preferred Stock Conversion Rights Adjustments to the Conversion Price.</p>
Voting Rights	<p>The holders of preferred stock are not entitled to any voting rights except as described in this prospectus under the heading Description of the Preferred Stock Voting Rights.</p>
Change of Control	<p>If we undergo a Change of Control (as defined under the heading Description of the Preferred Stock Change of Control Put), we will be required to offer to purchase the shares at a purchase price equal to 100% of the then liquidation preference, plus all accrued and unpaid and accumulated dividends, unless (i) our common stock trades at or above 105% of the conversion price of the preferred stock during specified periods, or (ii) 100% of the consideration in the change of control transaction consists of shares of capital stock traded on a U.S. national securities exchange or quoted on The Nasdaq National Market.</p> <p>This right of holders will be subject to our obligation to repay or repurchase any indebtedness required to be repaid or repurchased in connection with a change of control and to any contractual</p>

restrictions then contained in our indebtedness. The terms of our senior secured revolving credit facility and our senior notes prohibit us from purchasing the preferred stock in cash. Our future credit facilities and other existing or future indebtedness may contain similar restrictions. When we have satisfied these obligations, we will purchase all shares tendered upon a change of control offer, subject to the legal availability of funds for this purpose.

Subject to certain limitations, we may, at our option, elect to pay the purchase price in cash or in shares of our common stock valued at a discount of 5% from the market price of our common stock, or any combination thereof. However, we may pay such purchase price only out of funds legally available for such payment, and if we pay the purchase price in shares of our common stock, such shares must be eligible for immediate sale in the public market either (i) by non-affiliates of ours absent a registration statement or (ii) pursuant to a registration statement that has become effective.

Registration Rights

We have agreed to cause a shelf registration statement covering resales of the preferred stock and of common stock issued upon conversion of the preferred stock to remain effective, subject to some exceptions, until the earlier of (i) November 24, 2005 and (ii) the date on which all shares of convertible preferred stock or common stock covered by that registration statement have been sold under that registration statement. If we do not satisfy these obligations, we will be required to pay additional dividends to holders of the preferred stock.

DTC Eligibility

The shares of preferred stock will be issued in book-entry form and will be represented by permanent global certificates deposited with a custodian for, and registered in the name of, a nominee of The Depository Trust Company, or DTC, in New York, New York. Beneficial interests in any such securities will be shown on, and transfers will be effected only through, records maintained by DTC and its direct and indirect participants. Except in limited circumstances, no such interest may be exchanged for certificated securities. See Description of the Preferred Stock Book-entry, Delivery and Form.

Trading

Our common stock is listed on The New York Stock Exchange under the symbol BGC. We have not applied and do not intend to apply for the listing of the preferred stock on any securities exchange.

Material U.S. Federal Income Tax Consequences

For a discussion of material U.S. federal income tax considerations relating to the purchase, ownership and disposition of the preferred stock and common stock into which the preferred stock is convertible, see Material U.S. Federal Income Tax Consequences.

RISK FACTORS

Investing in these securities involves a high degree of risk. You should carefully consider the following risk factors and other information contained herein before investing in these securities.

Risks Related to Our Business

Risks Relating to Our Markets

Our net sales, net income and growth depend largely on the economies in the geographic markets that we serve and if these markets do not improve or become weaker we could suffer decreased sales and net income.

Many of our customers use our products as components in their own products or in projects undertaken for their customers. Our ability to sell our products is largely dependent on general economic conditions, including how much our customers and end-users spend on information technology, new construction and building, maintaining or reconfiguring their communications network, industrial manufacturing assets and power transmission and distribution infrastructures. Over the past few years many companies have significantly reduced their capital equipment and information technology budgets, and construction activity that necessitates the building or modification of communication networks and power transmission and distribution infrastructures has slowed considerably as a result of a weakening of the U.S. and foreign economies. As a result, our net sales and financial results have declined significantly. In the event that these markets do not improve, or if they were to become weaker, we could suffer further decreased sales and net income and we could be required to enact further restructurings.

The market for our products is highly competitive and if we fail to invest in product development, productivity improvements and customer service and support the sale of our products could be adversely affected.

The markets for copper, aluminum and fiber optic wire and cable products are highly competitive, and some of our competitors may have greater financial resources than we do. We compete with at least one major competitor with respect to each of our business segments, although no single competitor competes with us across the entire spectrum of our product lines. Many of our products are made to common specifications and therefore may be fungible with competitors' products. Accordingly, we are subject to competition in many markets on the basis of price, delivery time, customer service and our ability to meet specific customer needs.

We believe our competitors will continue to improve the design and performance of their products and to introduce new products with competitive price and performance characteristics. We expect that we will be required to continue to invest in product development, productivity improvements and customer service and support in order to compete in our markets. Furthermore, an increase in imports of products competitive with our products could adversely affect our sales.

Our business is subject to the economic and political risks of maintaining facilities and selling products in foreign countries.

During 2003, approximately 31% of our sales and approximately 33% of our assets were in markets outside North America. Our financial results may be adversely affected by significant fluctuations in the value of the U.S. dollar against foreign currencies or by the enactment of exchange controls or foreign governmental or regulatory restrictions on the transfer of funds. In addition, negative tax consequences relating to repatriating certain foreign currencies, particularly cash generated by our operations in Spain, may adversely affect our cash flows. During 2003, our operations outside North America generated approximately \$25.8 million of our cash flows from operations while the North American operations used \$40.3 million of cash flows from operations. Furthermore, our foreign operations are subject to risks inherent in maintaining operations abroad, such as economic and political destabilization, international conflicts, restrictive actions by foreign governments, nationalizations, changes in regulatory requirements, the difficulty of effectively managing diverse global operations and adverse foreign tax laws.

Changes in industry standards and regulatory requirements may adversely affect our business.

As a manufacturer and distributor of wire and cable products we are subject to a number of industry standard-setting authorities, such as Underwriters Laboratories, the Telecommunications Industry Association, the Electronics Industries Association and the Canadian Standards Association. In addition, many of our products are subject to the requirements of federal, state and local or foreign regulatory authorities. Changes in the standards and requirements imposed by such authorities could have an adverse effect on us. In the event we are unable to meet any such standards when adopted our business could be adversely affected. In addition, changes in the legislative environment could affect the growth and other aspects of important markets served by us. While certain legislative bills and regulatory rulings are pending in the energy and telecommunications sectors which could improve our markets, any delay or failure to pass such legislation and regulatory rulings could adversely affect our opportunities and anticipated prospects may not arise. It is not possible at this time to predict the impact that any such legislation or regulation or failure to enact any such legislation or regulation, or other changes in laws or industry standards that may be adopted in the future, could have on our financial results, cash flows or financial position.

Advancing technologies, such as fiber optic and wireless technologies, may make some of our products less competitive.

Technological developments could have a material adverse effect on our business. For example, a significant decrease in the cost and complexity of installation of fiber optic systems or increase in the cost of copper-based systems could make fiber optic systems superior on a price performance basis to copper systems and may have a material adverse effect on our business. Also, advancing wireless technologies, as they relate to network and communication systems, may represent some threat to both copper and fiber optic cable-based systems by reducing the need for premise wiring. While we sell some fiber optic cable and components and cable that is used in certain wireless applications, if fiber optic systems or wireless technology were to significantly erode the markets for copper-based systems, our sales of fiber optic cable and products for wireless applications may not be sufficient to offset any decrease in sales or profitability of our other products that may occur.

Risks Relating to Our Operations

Volatility in the price of copper and other raw materials, as well as fuel and energy, could adversely affect our businesses.

The costs of copper and aluminum, the most significant raw materials we use, have been subject to considerable volatility over the years. Volatility in the price of copper, aluminum, polyethylene and other raw materials, as well as fuel, natural gas and energy, will in turn lead to significant fluctuations in our cost of sales. Additionally, sharp increases in the price of copper can also reduce demand if customers decide to defer their purchases of copper wire and cable products or seek to purchase substitute products. Moreover, we do not engage in activities to hedge the underlying value of our copper and aluminum inventory. Although we attempt to reflect copper and other raw material price changes in the sale price of our products, there is no assurance that we can do so.

Interruptions of supplies from our copper rod mill plant or our key suppliers may affect our results of operations and financial performance.

Interruptions of supplies from our copper rod mill plant or our key suppliers could disrupt production or impact our ability to increase production and sales. During 2003, our copper rod mill plant produced approximately 62% of the copper rod used in our North American operations and two suppliers provided an aggregate of approximately 68% of our North American copper purchases. Any unanticipated problems or work stoppages at our copper rod mill facility could have a material adverse effect on our business. Additionally, we use a limited number of sources for most of the other raw materials that we do not produce. We do not have long-term or volume purchase agreements with most of our suppliers, and may have limited options in the short-term for alternative supply if these suppliers fail for any reason, including their business

failure or financial difficulties, to continue the supply of materials or components. Moreover, identifying and accessing alternative sources may increase our costs.

Failure to negotiate extensions of our labor agreements as they expire may result in a disruption of our operations.

Approximately 60% of our employees are represented by various labor unions. During the last five years, we have experienced only one strike, which was settled on satisfactory terms. Labor agreements expire at six facilities in 2004 and three in 2005. We cannot predict what issues may be raised by the collective bargaining units representing our employees and, if raised, whether negotiations concerning such issues will be successfully concluded. A protracted work stoppage could result in a disruption of our operations which could adversely affect our ability to deliver certain products and our financial results.

Our inability to continue to achieve productivity improvements may result in increased costs.

Part of our business strategy is to increase our profitability by lowering costs through improving our processes and productivity. In the event we are unable to continue to implement measures improving our manufacturing techniques and processes, we may not achieve desired efficiency or productivity levels and our manufacturing costs may increase. In addition, productivity increases are related in part to factory utilization rates. Our decreased utilization rates over the past few years have adversely impacted productivity.

We are substantially dependent upon distributors and retailers for non-exclusive sales of our products and they could cease purchasing our products at any time.

During 2003, approximately 35% of our domestic net sales were to independent distributors and four of our ten largest customers were distributors. Distributors accounted for a substantial portion of sales of our communications products and industrial & specialty products. During 2003, approximately 13% of our domestic net sales were to retailers and the two largest retailers, The Home Depot and AutoZone, accounted for approximately 2.9% and 2.5%, respectively, of our net sales.

These distributors and retailers are not contractually obligated to carry our product lines exclusively or for any period of time. Therefore, these distributors and retailers may purchase products that compete with our products or cease purchasing our products at any time. The loss of one or more large distributors or retailers could have a material adverse effect on our ability to bring our products to end users and on our results of operations. Moreover, a downturn in the business of one or more large distributors or retailers could adversely affect our sales and could create significant credit exposure.

We face pricing pressures in each of our markets that could adversely affect our results of operations and financial performance.

We face pricing pressures in each of our markets as a result of significant competition or over-capacity, and price levels for most of our products have declined over the past few years. While we will work toward reducing our costs to respond to the pricing pressures that may continue, we may not be able to achieve proportionate reductions in costs. As a result of over-capacity and the current economic and industry downturn in the communications and industrial markets in particular, pricing pressures increased in 2002 and 2003. Pricing pressures are expected to continue into 2004 and for the foreseeable future. Further declines in prices, without offsetting cost-reductions, would adversely affect our financial results.

Other Risks Relating to Our Business

Our substantial debt could adversely affect our business.

We have a significant amount of debt. As of December 31, 2003, we had \$340.4 million of debt outstanding, \$55.4 million of which is secured indebtedness and none of which is subordinated to our senior notes, and had \$147.6 million of additional borrowing capacity available under our senior secured revolving credit facility. In addition, subject to the terms of the indenture governing our senior notes, we may also incur additional indebtedness, including secured debt, in the future.

The degree to which we are leveraged could have important adverse consequences to us. For example, it could:

make it difficult for us to make payments on or otherwise satisfy our obligations with respect to our indebtedness;

limit our ability to borrow additional amounts for working capital, capital expenditures, potential acquisition opportunities and other purposes;

limit our ability to withstand competitive pressures and reduce our flexibility in responding to changing business, regulatory and economic conditions in our industry;

place us at a competitive disadvantage against our less leveraged competitors;

subject us to increased costs, to the extent of the portion of our indebtedness that is subject to floating interest rates; and

cause us to fail to comply with applicable debt covenants and could result in an event of default that could result in all of our indebtedness being immediately due and payable.

In addition, our ability to generate cash flow from operations sufficient to make scheduled payments on our debts as they become due will depend on our future performance, our ability to successfully implement our business strategy and our ability to obtain other financing.

If either of our uncommitted accounts payable or accounts receivable financing arrangements for our European operations is cancelled by our lenders, our liquidity will be negatively impacted.

Our European operation participates in arrangements with several European financial institutions which provide extended accounts payable terms to us. In general, the arrangements provide for accounts payable terms of up to 180 days. At December 31, 2003, the arrangements had a maximum availability limit of the equivalent of approximately \$101.7 million of which approximately \$70.7 million was drawn. We do not have firm commitments from these European financial institutions requiring them to continue to extend credit and they may decline to advance additional funding. We also have an approximate \$25 million uncommitted facility in Europe, which allows us to sell at a discount, with limited recourse, a portion of our accounts receivable to a financial institution. At December 31, 2003, this facility was not drawn upon. We do not have a firm commitment from this institution to purchase our accounts receivable. Should the availability under these arrangements be reduced or terminated, we would be required to negotiate longer payment terms with our suppliers or repay the outstanding obligations with our suppliers under these arrangements over 180 days and/or seek alternative financing arrangements which could increase our interest expense. We cannot assure you that such longer payment terms or alternate financing will be available on favorable terms or at all. Failure to obtain alternative financing arrangements in such case would negatively impact our liquidity.

In addition, in order to avoid an event of default under our senior secured credit facility, we must maintain foreign credit lines of at least the equivalent of \$80.0 million during those periods when our average excess available funds under our senior secured credit facility is less than \$100.0 million for a period of three consecutive months.

We will be required to take additional charges in connection with plant closures and the refocusing of another plant and may be required to take certain charges to our earnings in future periods in connection with our inventory accounting practices.

We have closed one of our manufacturing facilities, announced the closure of another manufacturing facility and are also in the process of significantly refocusing operations at another facility which resulted in a \$7.6 million charge in the fourth quarter of 2003, of which approximately \$1.3 million were cash payments. Additional charges (currently estimated to be \$12.9 million, of which approximately \$9.1 million will be cash payments) will be incurred during 2004 as these planned actions are implemented. We also plan to exit our rod mill operations during the second quarter of 2004 and we estimate the proceeds from selling certain equipment from that facility will offset the cash costs related to exiting that facility.

As a result of volatile copper prices, the historic LIFO cost of our copper inventory exceeded its replacement cost by approximately \$16 million at December 31, 2002 while at December 31, 2003, the replacement cost of our copper inventory exceeded the historic LIFO cost by approximately \$13 million. If we were not able to recover the LIFO value of our inventory at a profit in some future period when replacement costs were lower than the LIFO value of the inventory, we would be required to take a charge to recognize in our income statement all or a portion of the higher LIFO value of the inventory. During 2002 and 2003, we recorded a \$2.5 million and a \$0.5 million charge, respectively, for the liquidation of LIFO inventory in North America as we significantly reduced our inventory levels. If LIFO inventory quantities are reduced in a future period when replacement costs are lower than the LIFO value of the inventory, we would experience a decline in reported earnings. Conversely, if LIFO inventory quantities are reduced in a future period when replacement costs exceed the LIFO value of the inventory, we would experience an increase in reported earnings.

We are subject to certain asbestos litigation and unexpected judgments or settlements could have a material adverse effect on our financial results.

There are approximately 15,000 pending non-maritime asbestos cases involving our subsidiaries. The majority of these cases involve plaintiffs alleging exposure to asbestos-containing cable manufactured by our predecessors. In addition to our subsidiaries, numerous other wire and cable manufacturers have been named as defendants in these cases. Our subsidiaries have also been named, along with numerous other product manufacturers, as defendants in approximately 33,000 suits in which plaintiffs alleged that they suffered an asbestos-related injury while working in the maritime industry. These cases are referred to as MARDOC cases and are currently managed under the supervision of the U.S. District Court for the Eastern District of Pennsylvania. On May 1, 1996, the District Court ordered that all pending MARDOC cases be administratively dismissed without prejudice and the cases cannot be reinstated, except in certain circumstances involving specific proof of injury. We cannot assure you that any judgments or settlements of the pending non-maritime and/or MARDOC asbestos cases or any cases which may be filed in the future will not have a material adverse effect on our financial results, cash flows or financial position. Moreover, certain of our insurers may be financially unstable and in the event one or more of these insurers enter into insurance liquidation proceedings, we will be required to pay a larger portion of the costs incurred in connection with these cases.

Environmental liabilities could potentially adversely impact us and our affiliates.

We are subject to federal, state, local and foreign environmental protection laws and regulations governing our operations and use, handling, disposal and remediation of hazardous substances currently or formerly used by us and our affiliates. A risk of environmental liability is inherent in our and our affiliates' current and former manufacturing activities in the event of a release or discharge of a hazardous substance generated by us or our affiliates. Under certain environmental laws, we could be held jointly and severally responsible for the remediation of any hazardous substance contamination at our facilities and at third party waste disposal sites and could also be held liable for any consequences arising out of human exposure to such substances or other environmental damage. We and our affiliates have been named as potentially responsible parties in proceedings that involve environmental remediation. There can be no assurance that the costs of complying with environmental, health and safety laws and requirements in our current operations or the liabilities arising from past releases of, or exposure to, hazardous substances, will not result in future expenditures by us that could materially and adversely affect our financial results, cash flows or financial condition.

Growth through acquisition has been a significant part of our strategy and we may not be able to successfully identify, finance or integrate acquisitions.

Growth through acquisition has been, and is expected to continue to be, a significant part of our strategy. We regularly evaluate possible acquisition candidates. We cannot assure you that we will be successful in identifying, financing and closing acquisitions at favorable prices and terms. Potential acquisitions may require us to issue additional shares of stock or obtain additional or new financing, and such financing may not be available on terms acceptable to us, or at all. The issuance of our common or preferred shares may dilute the

value of shares held by our equityholders. Further, we cannot assure you that we will be successful in integrating any such acquisitions that are completed. Integration of any such acquisitions may require substantial management, financial and other resources and may pose risks with respect to production, customer service and market share of existing operations.

In addition, we may acquire businesses that are subject to technological or competitive risks, and we may not be able to realize the benefits expected from such acquisitions.

Terrorist attacks and other attacks or acts of war may adversely affect the markets in which we operate, our operations and our profitability.

The attacks of September 11, 2001 and subsequent events, including the military action in Iraq, has caused and may continue to cause instability in our markets and have led and may continue to lead to, further armed hostilities or further acts of terrorism worldwide, which could cause further disruption in our markets. Acts of terrorism may impact any or all of our facilities and operations, or those of our customers or suppliers and may further limit or delay purchasing decisions of our customers. Depending on their magnitude, acts of terrorism or war could have a material adverse effect on our business, financial results, cash flows and financial position.

We carry insurance coverage on our facilities of types and in amounts that we believe are in line with coverage customarily obtained by owners of similar properties. We continue to monitor the state of the insurance market in general and the scope and cost of coverage for acts of terrorism in particular, but we cannot anticipate what coverage will be available on commercially reasonable terms in future policy years. Currently, we do not carry terrorism insurance coverage. If we experience a loss that is uninsured or that exceeds policy limits, we could lose the capital invested in the damaged facilities, as well as the anticipated future net sales from those facilities. Depending on the specific circumstances of each affected facility, it is possible that we could be liable for indebtedness or other obligations related to the facility. Any such loss could materially and adversely affect our business, financial results, cash flows and financial position.

If we fail to retain our key employees, our business may be harmed.

Our success has been largely dependent on the skills, experience and efforts of our key employees, and the loss of the services of any of our executive officers or other key employees could have an adverse effect on us. The loss of our key employees who have intimate knowledge of our manufacturing process could lead to increased competition to the extent that those employees are able to recreate our manufacturing process. Our future success will also depend in part upon our continuing ability to attract and retain highly qualified personnel, who are in great demand.

Declining returns in the investment portfolio of our defined benefit plans has increased our pension expense and required us to increase cash contributions to the plans.

Pension expense for the defined benefit pension plans sponsored by us is determined based upon a number of actuarial assumptions, including an expected long-term rate of return on assets and discount rate. During the fourth quarter of 2002, as a result of declining returns in the investment portfolio of our defined benefit pension plans, we were required to record a minimum pension liability equal to the underfunded status of our plans. As of December 31, 2002, the defined benefit plans were underfunded by approximately \$52 million based on the actuarial methods and assumptions utilized for purposes of FAS 87. During 2003, investment performance improved and as a result, the defined benefit plans were underfunded by approximately \$40 million at December 31, 2003. We have experienced an increase in our pension expense and in our cash contributions to our defined benefit pension plan. Pension expense for our defined benefit plans increased from \$2.0 million in 2002 to \$8.4 million in 2003 and our required cash contributions increased to \$6.1 million in 2003 from \$3.0 million in 2002. In 2004, pension expense for our defined benefit plans is expected to decrease approximately \$3.0 million from 2003, primarily due to improved investment performance during 2003 in the market value of assets held and cash contributions are expected to increase to \$11.6 million. In the event that actual results differ from the actuarial assumptions, the funded status of our defined benefit plans may change and any such deficiency could result in additional charges to equity and an increase in future pension expense and cash contributions.

An ownership change could result in a limitation of the use of our net operating losses.

As of December 31, 2003, we had net operating loss, or NOL, carryforwards of approximately \$205 million available to reduce taxable income in future years. Specifically, we generated NOL carryforwards of \$55.2 million in 2000, \$68.4 million in 2002 and \$27.2 million in 2003, which expire in 2020, 2022 and 2023, respectively. The 2001 NOL, which was reflected as a carryforward in the 2001 financial statements, was instead carried back to obtain a \$37.0 million tax refund in 2002. We also have other NOL carryforwards that are subject to an annual limitation under section 382 of the Internal Revenue Code of 1986, as amended, or the Code. These section 382 limited NOL carryforwards expire in varying amounts from 2006 to 2009. The total section 382 limited NOL carryforwards that may be utilized prior to expiration is estimated at \$53.9 million.

Our ability to utilize our NOL carryforwards may be further limited by section 382 if we undergo an ownership change as a result of the sale of our stock by the selling securityholders and/or as a result of subsequent changes in the ownership of our outstanding stock. We would undergo an ownership change if, among other things, the stockholders, or group of stockholders, who own or have owned, directly or indirectly, 5% or more of the value of our stock or are otherwise treated as 5% stockholders under section 382 and the regulations promulgated thereunder increase their aggregate percentage ownership of our stock by more than 50% over the lowest percentage of our stock owned by these stockholders at any time during the testing period, which is generally the three-year period preceding the potential ownership change. In the event of an ownership change, section 382 imposes an annual limitation on the amount of post-ownership change taxable income a corporation may offset with pre-ownership change NOL carryforwards and certain recognized built-in losses. The limitation imposed by section 382 for any post-change year would be determined by multiplying the value of our stock immediately before the ownership change (subject to certain adjustments) by the applicable long-term tax-exempt rate, which is 4.74% for December 2003. Any unused annual limitation may be carried over to later years, and the limitation may under certain circumstances be increased by built-in gains which may be present in assets held by us at the time of the ownership change that are recognized in the five-year period after the ownership change.

Based upon our review of the aggregate change in percentage ownership during the current testing period and subject to any unanticipated increases in ownership by our five percent shareholders (as described above) with respect to our common stock, or the sale of our stock by the selling securityholders, we do not believe that we will experience a change in ownership as a result of the sale of our stock by the selling securityholders. However, such a determination is complex and there can be no assurance that the Internal Revenue Service could not successfully challenge our conclusion. In addition, there are circumstances beyond our control, such as the purchase of our stock by investors who are existing 5% shareholders or become 5% shareholders as a result of such purchase, which could result in an ownership change with respect to our stock. Even if the sale of our stock by the selling securityholders does not cause an ownership change to occur immediately, we expect to use a large portion of our available 50% ownership shift limitation in connection with the sale of our stock by the selling securityholders, and we may not be able to engage in significant transactions that would create a further shift in ownership within the meaning of section 382 within the subsequent three-year period without triggering an ownership change. Thus, while it is our general intention to maximize utilization of our NOL carryforwards by avoiding the triggering of an ownership change, there can be no assurance that our future actions or future actions by our stockholders will not result in the occurrence of an ownership change, which will result in utilization of the NOL and negatively affect cash flows.

If we are required to classify the preferred stock as debt in the future, our balance sheet will be adversely affected.

Upon issuance, the preferred stock will be classified as equity on our balance sheet in accordance with Statement of Financial Accounting Standards No. 150, Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity, or SFAS 150, since the preferred stock contains a substantive conversion feature. Under SFAS 150, the preferred stock will remain classified as equity until and unless it becomes certain that the conversion feature will not be exercised by the holders. If it were to become certain that the holders of the preferred stock will not exercise their conversion rights, we would be required to

reclassify the preferred stock as a liability in our balance sheet. Additionally, in adopting SFAS 150, the Financial Accounting Standards Board indicated that it is considering changes to the accounting treatment for certain instruments with both liability and equity characteristics. As a result, we cannot assume that the preferred stock will continue to be classified as equity in future periods. However, any such reclassification of the preferred stock would not, in any material respect, affect our compliance with the indenture governing our senior notes or our senior secured credit facility.

Risks Related to the Preferred Stock and Our Common Stock

Illiquidity and an absence of a public market for the preferred stock could cause purchasers of the preferred stock to be unable to resell the preferred stock for an extended period of time.

The preferred stock was issued on November 24, 2003 in a private transaction, and the private trading market is limited. There is no public market for the preferred stock. The relatively small size of this issue could have a negative impact on the liquidity of the preferred stock. Holders of the preferred stock may experience difficulty in reselling, or an inability to sell, the preferred stock. Future trading prices for the preferred stock will depend on many factors including, among other things, the price of our common stock into which the preferred stock is convertible, prevailing interest rates, our financial results, liquidity of the issue, the market for similar securities and other factors including our financial condition.

Our ability to pay dividends on the preferred stock and our common stock is limited.

Under the Delaware General Corporation Law, we may pay dividends, in cash or otherwise, only if we have surplus in an amount at least equal to the amount of the relevant dividend payment. Any payment of cash dividends will depend upon our financial condition, capital requirements, earnings and other factors deemed relevant by our board of directors. Further, our senior secured revolving credit facility and the indenture governing our senior notes restrict our ability to pay cash dividends. The indenture permits us to pay cash dividends on the preferred stock through November 24, 2005, so long as no default exists under the indenture, and thereafter only if we meet certain financial conditions. The senior secured revolving credit facility permits us to pay cash dividends on the preferred stock at any time only if no default exists thereunder and if we meet certain financial conditions, and prohibits us from paying dividends on our common stock. In addition, the certificate of designations for the preferred stock prohibits us from the payment of any cash dividends on our common stock if we are not current on dividend payments with respect to the preferred stock. Agreements governing future indebtedness will likely contain restrictions on our ability to pay cash dividends.

The preferred stock ranks junior to all of our liabilities as well as the liabilities of our subsidiaries.

The ranking of the preferred stock with respect to the payment of dividends and upon liquidation, dissolution or winding up may prevent us from paying cash dividends. The preferred stock ranks junior in right of payment to all of our existing and future liabilities, including our obligations under our senior secured revolving credit facility and our senior notes. In the event that we do not have sufficient funds to pay both our debt service and accrued dividends on the preferred stock, we will first limit or stop paying such dividends to holders of preferred stock until all amounts due on our liabilities are paid.

In the event of our bankruptcy, liquidation or winding-up, our assets will be available to pay the liquidation preference of, and accrued dividends on, the preferred stock only after all our indebtedness and other liabilities have been paid. In addition, the preferred stock effectively ranks junior to all existing and future liabilities of our subsidiaries and the capital stock (other than common stock) of our subsidiaries held by third parties. The rights of holders of the preferred stock to participate in the assets of our subsidiaries upon any liquidation or reorganization of any subsidiary ranks junior to the prior claims of that subsidiary's creditors and equity holders. As of December 31, 2003, we had total consolidated liabilities of \$809.4 million. In the event of our bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on any or all of the preferred stock then outstanding.

We may not be able to pay the purchase price of the preferred stock upon a change of control if the holders exercise their right to require us to purchase such securities.

If we undergo a change of control, subject to limited exceptions, we will be required to offer to purchase the preferred stock at a purchase price equal to 100% of the then liquidation preference, plus accrued and unpaid and accumulated dividends. Under certain circumstances, we will have the option to pay for those shares either in cash or in shares of our common stock valued at a discount of 5% from the market price of our common stock.

Under the terms of our senior secured revolving credit facility, however, we are prohibited from paying the purchase price of the preferred stock in cash. Our future credit facilities and other existing and future indebtedness may contain similar restrictions.

Our stock price has been and continues to be volatile.

The market price for our common stock could fluctuate due to various factors. These factors include:

announcements relating to significant corporate transactions;

fluctuations in our quarterly and annual financial results;

operating and stock price performance of companies that investors deem comparable to us;

changes in government regulation or proposals relating thereto;

general industry and economic conditions; and

sales or the expectation of sales of a substantial number of shares of our common stock in the public market.

In addition, the stock markets have, in recent years, experienced significant price fluctuations. These fluctuations often have been unrelated to the operating performance of the specific companies whose stock is traded. Market fluctuations, as well as economic conditions, have adversely affected, and may continue to adversely affect, the market price of our common stock. Fluctuations in the price of our common stock will affect the value of any outstanding preferred stock.

Shares eligible for future sale may harm our common stock price.

Sales of substantial numbers of additional shares of common stock or any shares of our preferred stock, including sales of shares in connection with future acquisitions, or the perception that such sales could occur, may have a harmful effect on prevailing market prices for our common stock and our ability to raise additional capital in the financial markets at a time and price favorable to us. Our amended and restated certificate of incorporation provides that we have authority to issue 75 million shares of common stock. There are approximately 39 million shares of common stock outstanding, approximately 3.5 million shares of common stock are issuable upon exercise of currently outstanding stock options and approximately 10.3 million shares of common stock issuable upon conversion of the preferred stock.

Issuances of additional series of preferred stock could adversely affect holders of our common stock.

Our board of directors is authorized to issue additional series of preferred stock without any action on the part of our shareholders. Our board of directors also has the power, without shareholder approval, to set the terms of any such series of preferred stock that may be issued, including voting rights, conversion rights, dividend rights, preferences over our common stock with respect to dividends or if we liquidate, dissolve or wind up our business and other terms. If we issue preferred stock in the future that has preference over our common stock with respect to the payment of dividends or upon our liquidation, dissolution or winding-up, or if we issue preferred stock with voting rights that dilute the voting power of our common stock, the rights of holders of our common stock or the market price of our common stock could be adversely affected.

Provisions in our constituent documents could make it more difficult to acquire our company.

Our amended and restated certificate of incorporation and amended and restated by-laws contain provisions that may discourage, delay or prevent a third party from acquiring us, even if doing so would be beneficial to our shareholders. Under our amended and restated certificate of incorporation, only our board of directors may call special meetings of shareholders, and shareholders must comply with advance notice requirements for nominating candidates for election to our board of directors or for proposing matters that can be acted upon by shareholders at shareholder meetings. Directors may be removed by shareholders only for cause and only by the effective vote of at least 66 2/3% of the voting power of all shares of capital stock then entitled to vote generally in the election of directors, voting together as a single class. Additionally, agreements with certain of our executive officers may have the effect of making a change of control more expensive and, therefore, less attractive.

Pursuant to our amended and restated certificate of incorporation, our board of directors may by resolution establish one or more series of preferred stock, having such number of shares, designation, relative voting rights, dividend rates, conversion rights, liquidation or other rights, preferences and limitations as may be fixed by our board of directors without any further shareholder approval. Such rights, preferences, privileges and limitations as may be established could have the further effect of impeding or discouraging the acquisition of control of our company.

Holders of the preferred stock have no rights as common shareholders until they acquire our common stock.

Until you acquire shares of our common stock upon conversion of the preferred stock you will have no rights with respect to our common stock, including voting rights (except as required by applicable state law or our amended and restated certificate of incorporation, and as described under Description of the Preferred Stock Voting Rights), rights to respond to tender offers and rights to receive any dividends or other distributions on our common stock. Upon conversion, you will be entitled to exercise the rights of a holder of common stock only as to matters for which the record date occurs after the conversion date.

FORWARD-LOOKING STATEMENTS

Certain of the matters we discuss in this prospectus may constitute forward-looking statements. You can identify a forward-looking statement because it contains words such as believes, expects, may, will, should, seeks, approximately, intends, plans, estimate, similar expressions which concern strategy, plans or intentions. All statements we make relating to estimated and projected earnings, margins, costs, expenditures, cash flows, growth rates and financial results are forward-looking statements. In addition, we, through our senior management, from time to time make forward-looking public statements concerning our expected future operations and performance and other developments. These statements are necessarily estimates reflecting our judgment based upon current information and involve a number of risks and uncertainties. We cannot assure you that other factors will not affect the accuracy of these forward-looking statements or that our actual results will not differ materially from the results we anticipate in the forward-looking statements. While it is impossible for us to identify all the factors which could cause our actual results to differ materially from those we estimated, we describe some of these factors under the heading Risk Factors. We do not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by or on behalf of us.

USE OF PROCEEDS

We will not receive any proceeds from the sale by any selling securityholder of the preferred stock or the issue or subsequent sale by any selling securityholder of the common stock issuable upon conversion of the preferred stock.

RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED DIVIDENDS

The following table sets forth our consolidated ratio of earnings to combined fixed charges and preferred dividends for each of the periods indicated. The ratio of earnings to combined fixed charges and preferred dividends is the same as the ratio of earnings to fixed charges in the years ended December 31, 1999, 2000, 2001 and 2002 as we did not have any preferred stock outstanding in those periods.

For purposes of calculating the ratio of earnings to combined fixed charges and preferred dividends, earnings consist of pretax income from continuing operations before income taxes and combined fixed charges and preferred dividends. Combined fixed charges and preferred dividends include: (i) interest expense, whether expensed or capitalized; (ii) amortization of debt issuance cost; (iii) the portion of rent expense representative of the interest factor and (iv) the amount of pretax earnings required to cover preferred stock dividends and any accretion in the carrying value of the preferred stock.

	Year Ended December 31,					Three Months Ended
	1999	2000	2001	2002	2003	March 31, 2004
Ratio of Earnings to Combined Fixed Charges and Preferred Dividends(1)	2.3x		2.1x			

- (1) For the years ended December 31, 2000, 2002 and 2003 earnings were insufficient to cover combined fixed charges and preferred dividends by \$28.9 million, \$27.6 million and \$2.1 million, respectively. For the three months ended March 31, 2004 earnings were insufficient to cover combined fixed charges and preferred dividends by \$5.5 million.

DESCRIPTION OF THE PREFERRED STOCK

The following section is a summary of the material provisions of the certificate of designations and does not restate the certificate of designations in its entirety. We urge you to read the certificate of designations because it, and not this description, defines your rights as holders of the Series A redeemable convertible preferred stock offered by this prospectus. Copies of the certificate of designations are available as set forth under **Additional Information** below.

As used in this description, references to **we**, **us**, **our** or **General Cable** mean General Cable Corporation and do not include any current or future subsidiary of General Cable Corporation.

General

Our certificate of incorporation authorizes the issuance of up to 25,000,000 shares of preferred stock without the approval of the holders of our common stock, in one or more series, from time to time, with each such series to have such designation, powers, preferences and rights as may be determined by our board of directors. The Series A redeemable convertible preferred stock, which we refer to in this description as the convertible preferred stock, constitutes a series of these shares of preferred stock.

The convertible preferred stock constitutes a single series consisting of 2,070,000 shares. The holders of the convertible preferred stock have no preemptive rights. The convertible preferred stock were validly issued, fully paid and nonassessable.

Ranking

The convertible preferred stock ranks, with respect to dividend rights and rights upon liquidation, winding-up or dissolution:

junior to all our existing and future liabilities, whether or not for borrowed money;

junior to senior stock, which is each class or series of our capital stock the terms of which expressly provide that such class or series will rank senior to the convertible preferred stock;

on a parity with parity stock, which is any other class or series of our capital stock that has terms which expressly provide that such class or series will rank on a parity with the convertible preferred stock;

senior to junior stock, which is our common stock, and each other class or series of our capital stock that has terms which do not expressly provide that such class or series will rank senior to or on a parity with the convertible preferred stock; and

effectively junior to all of our subsidiaries (i) existing and future liabilities and (ii) capital stock held by others.

Without the consent of the holders of at least two-thirds of the shares of convertible preferred stock outstanding, we will not be entitled to issue shares of or increase the authorized number of shares of any class or series of capital stock that ranks senior to the convertible preferred stock with respect to the payment of dividends and distributions upon liquidation, winding-up or dissolution, including, without limitation, any class or series of capital stock, other than parity stock or junior stock, that pays cumulative dividends.

Except as set forth in the preceding paragraph, we may, without the consent of the holders of the shares of convertible preferred stock, authorize, create (by way of reclassification or otherwise) or issue parity or junior stock or any obligation or security convertible or exchangeable into, or evidencing a right to purchase, shares of any class or series of parity or junior stock.

The terms junior stock, parity stock and senior stock include warrants, rights, calls or options exercisable for or convertible into that type of stock.

Dividends

General

The holders of convertible preferred stock are entitled to receive dividends at the rate of 5.75% per annum on the liquidation preference per share of convertible preferred stock. The rights of the holders of convertible preferred stock to receive dividend payments is subject to the rights of any holders of senior stock and parity stock.

The dividend rate will increase under the circumstances described below under Unpaid Dividends and Registration Rights. All references to dividends or to a dividend rate shall be deemed to reflect such increase if such increase is applicable.

Holders of the convertible preferred stock will not have any right to receive dividends that we may declare on our common stock. The right to receive dividends declared on our common stock will be realized only after conversion of such holder's shares of convertible preferred stock into shares of our common stock.

Dividend Payment Dates

Dividends are payable in arrears on February 24, May 24, August 24 and November 24 of each year. If any of those dates is not a business day, then dividends will be payable on the next succeeding business day. Dividends will accrue from the last dividend payment date. Dividends will be payable to holders of record as they appear in our stock records at the close of business on January 31, April 30, July 31 and October 31 of each year. Dividends payable on the convertible preferred stock for any period other than a full quarterly period will be computed on the basis of a 360-day year consisting of twelve 30-day months.

We are obligated to pay a dividend on the convertible preferred stock only when, as and if our board of directors or an authorized committee of our board of directors declares the dividend payable and we have assets that legally can be used to pay the dividend.

Form of Payment

Dividends are payable, at our option, in cash, in shares of our common stock or any combination thereof. In order to pay dividends in shares of our common stock, we must deliver to the transfer agent for the convertible preferred stock a number of shares of our common stock that, when sold by the transfer agent on the holders' behalf, will result in net cash proceeds to be distributed to the holders of the convertible preferred stock in an amount equal to the cash dividends otherwise payable. To pay dividends in this manner, we must provide the transfer agent with a registration statement permitting the immediate sale of the shares of common stock in the public market. We cannot assure you that we will be able to timely file, cause to be declared effective or keep effective any such registration statement. In addition, in order to pay dividends in shares of our common stock, we may need to obtain the approval of our stockholders under the rules of The New York Stock Exchange. We will use all commercially reasonable efforts to obtain such approval not later than at the annual meeting of our stockholders next occurring after the issue date. We cannot assure you that we will be able to obtain such approval from our stockholders.

Our credit facilities and the indenture governing our senior notes limit our ability to pay cash dividends on shares of the convertible preferred stock. See Risk Factors Risks Related to the Preferred Stock and our Common Stock Our ability to pay dividends on the preferred stock and our common stock is limited. If we are unable to pay dividends in cash on a dividend payment date because such payment is not then permitted by our credit facilities, the indenture or any other agreement or would be contrary to applicable law or our certificate of incorporation or by-laws, then we will use our reasonable best efforts to file and cause to be declared effective the registration statement required to permit us to pay dividends in shares of our common stock.

If we pay dividends in shares of our common stock by delivering them to the transfer agent, those shares will be owned beneficially by the holders of the convertible preferred stock upon delivery to the transfer agent,

and the transfer agent will hold those shares and the net cash proceeds from the sale of those shares for the exclusive benefit of the holders.

Dividends Cumulative

Dividends on the convertible preferred stock will be cumulative. This means that if our board of directors or an authorized committee of our board of directors fails to declare a dividend to be payable on a dividend payment date, the dividend will accumulate on that dividend payment date until declared and paid or will be forfeited upon conversion (except under the circumstances described under *Conversion Rights* *General*).

Unpaid Dividends

If we do not pay dividends in full on the convertible preferred stock on more than six dividend payment dates, whether or not consecutive, the per annum dividend rate will be deemed to have increased by 2% on the date following the sixth such dividend payment date. Once all accrued and unpaid or accumulated dividends have been paid in full, the dividend rate will return to the rate in effect before such increase. If, following any such payment in full, we again do not pay dividends in full on any dividend payment date, the per annum dividend rate will be deemed to have increased by 2% on the date following the last dividend payment date through which all accrued and unpaid or accumulated dividends have been paid in full and will return to the rate in effect before such increase only after all accrued and unpaid or accumulated dividends through the latest dividend payment date have been paid in full.

Except as set forth in the preceding paragraph, we are not obligated to pay holders of the convertible preferred stock any interest or sum of money in lieu of interest on any dividend not paid on a dividend payment date or any other late payment. We are also not obligated to pay holders of the convertible preferred stock any dividend in excess of the full dividends on the convertible preferred stock that are payable as described above.

If our board of directors or an authorized committee of our board of directors does not declare a dividend for any dividend payment date, the board of directors or an authorized committee of our board of directors may declare and pay the dividend on any subsequent date, whether or not a dividend payment date. The persons entitled to receive the dividend in such case will be holders of the convertible preferred stock as they appear on our stock register on a date selected by the board of directors or an authorized committee of our board of directors. That date must not (a) precede the date our board of directors or an authorized committee of our board of directors declares the dividend payable and (b) be more than 60 days prior to that dividend payment date.

Payment Restrictions

If we do not pay a dividend on a dividend payment date, then, until all accumulated dividends have been declared and paid or declared and set apart for payment:

we may not take any of the following actions with respect to any of our junior stock:

declare or pay any dividend or make any distribution of assets on any junior stock, except that we may pay dividends in shares of our junior stock and pay cash in lieu of fractional shares in connection with any such dividend; or

redeem, purchase or otherwise acquire any junior stock, except that (i) we may redeem, repurchase or otherwise acquire junior stock upon conversion or exchange of such junior stock for other junior stock and pay cash in lieu of fractional shares in connection with any such conversion or exchange and (ii) we may make repurchases of our capital stock deemed to occur upon the exercise of stock options if such capital stock represents a portion of the exercise price thereof and repurchases of capital stock deemed to occur upon the withholding of a portion of the capital stock issued, granted or awarded to one of our directors, officers or employees to pay for the taxes payable by such director, officer or employee upon such issuance, grant or award in order to satisfy, in whole or in part, withholding tax requirements in connection with the exercise of such options, in accordance

with the provisions of an option or rights plan or program of ours, in each case as in effect on the date the convertible preferred stock is first issued, or any other plan substantially similar thereto; and

we may not take any of the following actions with respect to any of our parity stock:

declare or pay any dividend or make any distribution of assets on any parity stock, except that we may pay dividends on parity stock provided that the total funds available to be paid be divided among the convertible preferred stock and such parity stock on a pro rata basis in proportion to the aggregate amount of dividends accrued and unpaid or accumulated thereon; or

we may not redeem, purchase or otherwise acquire any of our parity stock, except that we may redeem, purchase or otherwise acquire parity stock upon conversion or exchange of such parity stock for our junior stock or other parity stock and pay cash in lieu of fractional shares in connection with any such conversion or exchange, so long as, in the case of such other parity stock, (i) such other parity stock contains terms and conditions (including, without limitation, with respect to the payment of dividends, dividend rates, liquidation preferences, voting and representation rights, payment restrictions, antidilution rights, change of control rights, covenants, remedies and conversion and redemption rights) that are not materially less favorable, taken as a whole, to us or to the holders of our convertible preferred stock than those contained in the parity stock that is converted into or exchanged for such other parity stock, (ii) the aggregate amount of the liquidation preference of such other parity stock does not exceed the aggregate amount of the liquidation preference, plus accrued and unpaid or accumulated dividends, of the parity stock that is converted into or exchanged for such other parity stock and (iii) the aggregate number of shares of our common stock issuable upon conversion, redemption or exchange of such other parity stock does not exceed the aggregate number of shares of our common stock issuable upon conversion, redemption or exchange of the parity stock that is converted into or exchanged for such other parity stock.

Optional Redemption

We may not redeem any shares of convertible preferred stock at any time before November 24, 2008. At any time or from time to time thereafter, we will have the option to redeem all or any outstanding shares of convertible preferred stock, out of funds legally available for such payment, upon not less than 30 nor more than 60 days prior notice, in cash at the redemption prices specified below, plus an amount in cash equal to all accrued and unpaid or accumulated dividends from, and including, the immediately preceding dividend payment date to, but excluding, the redemption date, during the 12-month period commencing on November 24 of each of the years set forth below:

2008	\$51.4375
2009	\$51.1500
2010	\$50.8625
2011	\$50.5750
2012, until the date the day prior to mandatory redemption	\$50.2875

In the event of a partial redemption of the convertible preferred stock, the shares to be redeemed will be selected on a pro rata basis, except that we may redeem all shares of convertible preferred stock held by any holder of fewer than 10 shares (or all shares of convertible preferred stock owned by any holder who would hold fewer than 10 shares as a result of such redemption), as determined by us.

Our senior secured revolving credit facility prohibits us from redeeming the convertible preferred stock at our option so long as that facility is outstanding. The indenture for our senior notes limits our ability to redeem the convertible preferred stock, and future debt agreements may also contain restrictions or prohibitions.

Mandatory Redemption

We will be obligated to redeem all outstanding shares of convertible preferred stock on November 24, 2013, out of funds legally available for such payment, at a redemption price equal to the liquidation preference thereof, plus all accrued and unpaid or accumulated dividends.

Form of Payment of Mandatory Redemption Price.

We may, at our option, elect to pay the redemption price in cash or in shares of our common stock at a discount of 5% from the market price of our common stock (*i.e.*, valued at 95% of the market price of our common stock), or any combination thereof. We may pay such redemption price, whether in cash or in shares of our common stock, only if we have funds legally available for such payment and may pay such redemption price in shares of our common stock only if such shares are eligible for immediate sale in the public market either (i) by non-affiliates of ours absent a registration statement or (ii) pursuant to a registration statement that has become effective.

We will be required t