MF Global Holdings Ltd.
Form 424B2
July 28, 2011
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Filed Pursuant to Rule 424(b)(2)
Registration No. 333-162119

The information in this preliminary prospectus supplement is not complete and may be changed. A registration statement relating to the securities has become effective under the Securities Act of 1933. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to completion, dated July 28, 2011

Preliminary Prospectus Supplement to Prospectus, dated February 24, 2010

$300,000,000

MF Global Holdings Ltd.

% Convertible Senior Notes due 2018

MF Global Holdings Ltd. is offering $300,000,000 aggregate principal amount of its % Convertible Senior Notes due 2018 (the notes) under this prospectus supplement. The notes will bear interest at a rate equal to % per year, payable semiannually in arrears on February 1 and August 1 of each year, beginning on February 1, 2012. The notes will mature on August 1, 2018.

Holders may convert their notes at their option prior to the close of business on the business day immediately preceding February 1, 2018 but only under the following circumstances: (1) during any fiscal quarter commencing after September 30, 2011 (and only during such fiscal quarter), if the last reported sale price of our common stock for at least 20 trading days (whether or not consecutive) during the period of 30 consecutive trading days ending on the last trading day of the immediately preceding fiscal quarter is greater than or equal to 130% of the applicable conversion price on each applicable trading day; (2) during the five consecutive business day period after any five consecutive trading day period (the measurement period) in which the trading price (as defined herein) per $1,000 principal amount of notes for each trading day of such measurement period was less than 98% of the product of the last reported sale price of our common stock and the applicable conversion rate on each such trading day; or (3) upon the occurrence of specified corporate events. On or after February 1, 2018 until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert their notes at any time, regardless of the foregoing circumstances. Upon conversion of a note, we will pay, at our election, cash or a combination of cash and shares of our common stock, if any, based on the daily conversion value for each trading day of the cash settlement averaging period applicable to such note.

The conversion rate will initially equal shares of common stock per $1,000 principal amount of notes (equivalent to a conversion price of approximately $ per share of common stock). The conversion rate will be subject to adjustment upon the occurrence of certain events, but will not be adjusted for any accrued and unpaid interest. In addition, following the occurrence of a make-whole fundamental change, we will, in certain circumstances, increase the conversion rate for a holder that converts its notes in connection with such make-whole fundamental change.

We may not redeem the notes prior to maturity. No sinking fund will be provided for the notes.

If we undergo a fundamental change, holders may require us to purchase the notes in whole or in part for cash at a fundamental change purchase price equal to 100% of the principal amount of the notes to be purchased, plus accrued and unpaid interest, if any, to, but excluding, the fundamental change purchase date.

The notes will be our senior unsecured obligations and will rank senior in right of payment to any future indebtedness that is expressly subordinated in right of payment to the notes, equal in right of payment to our existing and future unsecured indebtedness that is not so subordinated, effectively junior to any future secured indebtedness to the extent of the value of the assets securing such indebtedness and structurally junior to all existing and future indebtedness (including trade payables) of our subsidiaries.

We do not intend to apply for listing of the notes on any securities exchange. Our common stock is listed on the New York Stock Exchange under the symbol MF. The last reported sale price of our common stock on July 27, 2011 was $7.24 per share.

Investing in the notes and the underlying common stock involves risks. See Risk Factors beginning on page S-13 of this prospectus supplement and in our Annual Report on Form 10-K for the fiscal year ended March 31, 2011 to read about risks that you should consider before investing in the notes.

	Per Note	Total
Public offering price	%	$
Underwriting discounts and commissions	%	$
Proceeds, before expenses, to MF Global Holdings Ltd.	%	$

To the extent the underwriters sell more than $300,000,000 principal amount of notes, the underwriters will have the option to purchase within 30 days from the date of this prospectus supplement up to an additional $45,000,000 principal amount of notes from MF Global Holdings Ltd. at the public offering price less the underwriting discount.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined whether this prospectus supplement or the accompanying prospectus to which it relates is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the notes in book-entry form only through the facilities of The Depository Trust Company on or about August , 2011.

Joint Book-Running Managers

Goldman, Sachs & Co. **Citi**

Co-Managers

BofA Merrill Lynch **J.P. Morgan** **Deutsche Bank Securities** **RBS**

Prospectus Supplement dated July , 2011

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We are responsible for the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus, and in any free writing prospectus we may authorize to be delivered to you. We have not, and the underwriters have not, authorized anyone to give you any other information, and take no responsibility for any other information that others may give you. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained in this prospectus supplement, the accompanying prospectus, the documents incorporated by reference or any free writing prospectus we may authorize to be delivered to you is accurate as of any date other than

the dates thereon. Our business, financial condition, results of operations and prospects may have changed since those dates.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement is a supplement to the accompanying base prospectus (the accompanying prospectus), which is also a part of this document. This prospectus supplement and the accompanying prospectus are part of a registration statement that we filed with the Securities and Exchange Commission, or SEC, using a shelf registration process. In this prospectus supplement, we provide you with specific terms of this offering. This prospectus supplement may add, update or change information contained in the accompanying prospectus. To the extent that any statement made in this prospectus supplement is inconsistent with a statement made in the accompanying prospectus or any previously filed documents incorporated by reference, the statements made in the accompanying prospectus or any previously filed documents incorporated by reference are deemed modified or superseded by the statements made in this prospectus supplement. You should read both this prospectus supplement and the accompanying prospectus together with the additional information described below under the heading Where You Can Find Additional Information.

In this prospectus supplement and the accompanying prospectus, references to we, our or us mean MF Global Holdings Ltd., a Delaware corporation, and its consolidated subsidiaries, except as otherwise noted or the context otherwise requires, and references to MF Global mean MF Global Holdings Ltd. and do not include its consolidated subsidiaries.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We are required to file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any documents filed by us at the SEC s public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our filings with the SEC are also available to the public through the SEC s Internet site at http://www.sec.gov.

We have filed with the SEC a registration statement on Form S-3 relating to the securities covered by this prospectus supplement. This prospectus supplement and the accompanying prospectus are part of the registration statement and do not contain all of the information in the registration statement. Whenever a reference is made in this prospectus supplement or the accompanying prospectus to a contract or other document of ours, 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 Internet site.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The SEC s rules allow us to incorporate by reference information into this prospectus supplement and the accompanying 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 supplement and the accompanying prospectus from the date we file that document. Any reports filed by us with the SEC on or after the date of this prospectus supplement and before the date that the offering of the securities by means of this prospectus supplement is terminated will automatically update and, where applicable, supersede any information contained in this prospectus supplement or the accompanying prospectus or incorporated by reference therein.

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We incorporate by reference into this prospectus supplement the following documents or information filed by us with the SEC:

(1) Our Annual Report on Form 10-K for the fiscal year ended March 31, 2011, filed on May 20, 2011;

(2) Our Current Reports on Form 8-K filed on June 17, 2011 and July 28, 2011;

(3) Our Definitive Proxy Statement on Schedule 14A for the Annual Shareholders Meeting on August 11, 2011, filed on July 7, 2011; and

(4) All documents filed by us under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, on or after the date of this prospectus supplement and before the termination of this offering.

Notwithstanding the foregoing, we are not incorporating by reference any information furnished (but not filed) under Item 2.02 or Item 7.01 of any Current Report on Form 8-K, including the related exhibits, nor any documents or other information that is deemed to have been furnished and not filed with the SEC.

We will provide without charge to each person, including any beneficial owner, to whom this prospectus supplement is delivered, upon his or her written or oral request, a copy of any or all documents referred to above which have been or may be incorporated by reference into this prospectus supplement excluding exhibits to those documents unless they are specifically incorporated by reference into those documents. You can request those documents from Investor Relations, 717 Fifth Avenue, New York, New York 10022, telephone 1-800-596-0523, and email investorrelations@mfglobal.com.

FORWARD-LOOKING STATEMENTS

We have included or incorporated by reference in this prospectus supplement statements that may constitute forward-looking statements. You can identify forward-looking statements by terminology such as may, will, should, could, would, targets, goal, expect, intend, p believe, estimate, predict, potential, continue, or the negative of these terms or other comparable terminology. These statements relate to futu events or our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to differ materially from those expressed or implied by these forward-looking statements. There are important factors that could cause our actual results, levels of activity, performance or achievements to differ materially from the results, levels of activity, performance or achievements expressed or implied by the forward-looking statements. In particular, you should consider the risks and uncertainties described under Risk Factors. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. We caution you not to place undue reliance on these forward-looking statements. Forward-looking statements in this prospectus supplement include, but are not limited to, statements about:

- expectations regarding the business environment in which we operate and the trends in our industry, such as changes in trading volumes and interest rates;
- our liquidity requirements and our ability to obtain access to necessary liquidity;
- our ability to execute our business strategy and strategic plan;
- our planned transition of our business from a broker into a commodities and capital markets focused investment bank;

- fluctuations in interest rates and currency exchange rates and their possible effects on our business;
- our ability to continue to provide value-added brokerage services;
- our ability to maintain trading volumes and market share;
- our ability to continue to diversify our service offerings;
- our ability to pursue opportunities to improve operating margins or profitability;
- our ability to expand our business in existing or new geographic regions;
- our ability to continue to expand our business through acquisitions or organic growth;
- the effects of pricing and other competitive pressures on our business as well as our perceptions regarding our business competitive position;
- our accuracy regarding our expectations of our revenues and various costs and of expected cost savings;
- the timing of, and our ability to, return to profitability;
- the timing of, and our ability to, access the capital markets, including for potential future debt issuances;
- our exposure to client and counterparty default risks as well as the effectiveness of our risk management;
- our exposure to market, issuer default and other risks from our principal transactions;
- our exposures to credit, counterparty and concentration risk;
- our ability to maintain our credit rating and the effects that changes to our credit rating would have on our business and operations;
- our ability to retain existing clients and attract new ones;
- our ability to retain our management team and other key employees;

the likelihood of success in, and the impact of, litigation or other legal or regulatory challenges involving our business;

the impact of any changes in domestic and foreign regulations or government policy, including any changes or reviews of previously issued regulations and policies;

changes in exchange membership requirements;

changes in our taxes and tax rate;

our ability to maintain our existing technology systems and to keep pace with rapid technological developments;

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- the effects of financial reform legislation and related rule making of regulatory agencies; and

- our expectations regarding the use of the net proceeds from this offering including with respect to the repurchase of our 9.00% Convertible Senior Notes due 2038 (the 2038 Convertible Senior Notes).

We caution that you should not place undue reliance on any of our forward-looking statements. Further, any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise from time to time, and it is impossible for us to predict those events or how they may affect us. Except as required by law, we have no duty to, and do not intend to, update or revise the forward-looking statements in this prospectus supplement after the date of this prospectus supplement.

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SUMMARY

The following summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information included elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus. Because this is a summary, it may not contain all the information you should consider before deciding whether to purchase the notes. You should read this entire prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein carefully, including the section entitled Risk Factors herein and in our Annual Report on Form 10-K for the fiscal year ended March 31, 2011 (the Annual Report), before making an investment decision.

MF Global Holdings Ltd.

We are one of the world s leading brokers in markets for commodities and listed derivatives. We provide access to more than 70 exchanges globally and are a leader by volume on many of the world s largest derivatives exchanges. We are also an active broker-dealer in markets for commodities, fixed income securities, equities, and foreign exchange. We are one of 20 primary dealers authorized to trade U.S. government securities with the Federal Reserve Bank of New York. In addition to executing client transactions, we provide research and market commentary to help clients make trading decisions, as well as providing clearing and settlement services. We are also active in providing client financing and securities lending services.

We are headquartered in the United States, and have operations globally, including in the United Kingdom, Australia, Singapore, India, Canada, Hong Kong, and Japan. Our priority is serving the needs of our diversified global client base, which includes a wide range of institutional asset managers and hedge funds, professional traders, corporations, sovereign entities, and financial institutions. We also offer a range of services for individual traders and introducing brokers.

As of June 30, 2011, we had 2,857 employees. We have organized our business on a global basis to offer clients an extensive array of products across a broad range of markets and geographies. We seek to tailor our offerings from market to market to meet the demands of our clients by providing the most compelling products and services possible, while remaining within the regulations of a particular jurisdiction.

We derive revenues from three main sources: (i) commissions generated from execution and clearing services; (ii) principal transactions revenue, generated both from client facilitation and proprietary activities, and (iii) net interest income from cash balances in client accounts maintained to meet margin requirements, as well as interest related to our collateralized financing arrangements and principal transactions activities.

We have recently announced a new strategic direction for MF Global. Under our new strategic plan, we intend to transform our business from a broker to a commodities and capital markets focused investment bank during the next three to five years. For more information on this plan of development and the associated risks, see our Annual Report, which is incorporated herein by reference.

Our principal executive offices are located at 717 Fifth Avenue, New York, New York 10022, and our telephone number is (212) 589-6200. Our registered office is located in the State of Delaware at Corporation Trust Center, 1209 Orange Street in the City of Wilmington, County of New Castle. Our website can be accessed at www.mfglobal.com. The contents of our website are not part of this prospectus supplement.

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Recent Developments

As further described in the Current Report on Form 8-K, filed on July 28, 2011 incorporated herein by reference (the July Current Report), on July 28, 2011, we announced our results of operations for the fiscal quarter ended June 30, 2011. The following is a summary of the results of operations and should be read in conjunction with the information provided in our July Current Report:

Revenue, net of interest and transaction-based expenses (net revenue) was $314.5 million for the fiscal quarter ended June 30, 2011, versus $289.4 million for the same period last year.

Net income applicable to common shareholders for the fiscal quarter ended June 30, 2011 was $7.7 million, or $0.05 per basic and diluted share, compared with $0.8 million or $0.01 per basic and diluted share for the same period last year.

Employee compensation and benefits expense (excluding non-recurring IPO awards) was $171.1 million, or 54.4% of net revenue, for the fiscal quarter ended June 30, 2011, compared with $155.4 million, or 53.7%, for the same period last year.

Our non-compensation expenses (which excludes restructuring costs) for the fiscal quarter ended June 30, 2011 were $112.2 million, compared with $91.4 million for the same period last year.

The increase in our net revenue was primarily due to the expansion of client facilitation and principal activities, as reflected in the increase of our Principal Transactions revenue, which increased from $66.3 million for the fiscal quarter ended June 30, 2010, to $116.8 million for the fiscal quarter ended June 30, 2011. The increase in Principal Transactions revenue was driven primarily by an approximate $36.7 million increase in revenue from repurchase transactions accounted for as sales, as well as an approximate $42.6 million increase in revenue from structured equity transactions, but was offset by decreases in revenue in foreign exchange transactions and equities transactions. The increase in net revenue was offset by a decrease in our Commissions revenue, which reflects a change in the mix of activity by our client base during the quarter. Accordingly, although the total volume of executed and/or cleared exchange-traded futures and options transactions increased to 575.1 million contracts during the first fiscal quarter, much of this increase was driven by higher clearing volumes and high-volume, low-margin customers in the European region. Although we generally earn less per contract on clearing transactions than execution transactions, our margins with respect to clearing transactions are higher than our margins with respect to execution transactions. Consequently, over the past several quarters we have focused on increasing the size of our clearing business, and we expect to continue maintaining this emphasis.

Employee compensation and benefits expense increased, consistent with the increase in our net revenue. The slight increase in our employee compensation ratio during our first quarter was attributable to our ongoing recruitment and upgrading of personnel during the quarter. The increase in our non-compensation expenses (which excludes restructuring costs) was primarily driven by three factors: (i) higher communications and technology costs from increased market data research and communications expenses, reflecting increased client trades, as well as the expansion of equities trading in the U.S. and Asia Pacific region; (ii) higher occupancy and equipment costs, primarily from additional leased office space in New York, Tokyo and London, and (iii) and higher professional fees that we paid, primarily from increased consulting fees arising from the ordinary course of business, as well as due to the continued implementation of our strategic plan. As we continue to implement our strategic plan, we will continue to evaluate our businesses, global footprint and the resources we allocate versus the returns we generate on these resources. In connection with the implementation of our strategic plan, and as a result of our continuing evaluation of our businesses, we currently expect to incur future additional restructuring charges of between $15 million to $30 million in the second fiscal quarter, although we can offer no assurance that all of these charges will take place this quarter nor that these charges will be within our estimated range.

We continue to regularly assess our capital structure and opportunities to access the capital markets to reposition or restructure our capital structure by extending the maturities of our outstanding debt, including amounts currently drawn under our liquidity facility. For example, on June 29, 2011, our U.S. broker-dealer closed a new, 364-day, $300 million senior secured committed revolving credit facility with a syndicate of banks. The credit facility can be used for general corporate purposes, which further increases our liquidity. Our management continues to consider the appropriate debt structure, both for our existing business and our future growth, as well as the level of usage of our liquidity facility and the amount of preferred stock and convertible notes that we have outstanding. Factors that our management considers with respect to any repositioning or restructuring include the implementation of our strategic plan, rating agency viewpoints, adequacy of our permanent capital, attaining profitability, and the return on investment for our shareholders. We believe that the proposed issuance of the notes to which this prospectus supplement relates, as well as our intention in the near-term, subject to market conditions, to actively pursue opportunities to raise additional capital through the sale of senior unsecured indebtedness, may improve many of the foregoing factors.

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Offering Summary

The following summary is provided solely for your convenience and is not intended to be complete. You should read the full text and more specific details contained elsewhere in this prospectus supplement and the accompanying prospectus. For purposes of this offering summary, references to MF Global, we, our and us refer only to MF Global Holdings Ltd. and not its subsidiaries. For a more detailed description of the notes, see Description of the Notes in this prospectus supplement and Description of Debt Securities in the accompanying prospectus.

Issuer	MF Global Holdings Ltd., a Delaware corporation.
Securities Offered	$300,000,000 principal amount of % Convertible Senior Notes due 2018 (plus up to an additional $45,000,000 principal amount if the underwriters exercise their option to purchase additional notes).
Maturity Date	August 1, 2018 unless earlier repurchased by us or converted.
Issue Price	100%
Interest	% per year. Interest will accrue from the date of issuance (which is scheduled for August , 2011) or from the most recent date to which interest has been paid or duly provided for, and will be payable semiannually in arrears on February 1 and August 1 of each year, beginning on February 1, 2012.
	We will also be required to pay additional interest on the notes under the circumstances described under Description of the Notes Events of Default.
Conversion Rights	Holders may convert their notes at their option prior to the close of business on the business day immediately preceding February 1, 2018, but only under the following circumstances:

- during any fiscal quarter commencing after September 30, 2011 (and only during such fiscal quarter), if the last reported sale price of our common stock for at least 20 trading days (whether or not consecutive) during the period of 30 consecutive trading days ending on the last trading day of the immediately preceding fiscal quarter is greater than or equal to 130% of the applicable conversion price on each applicable trading day;

- during the five consecutive business day period after any five consecutive trading day period (the measurement period) in which the trading price (as defined herein) per $1,000 principal amount of notes for each trading day of such measurement period was less than 98% of the product of the last reported sale price of our common stock and the applicable conversion rate on each such trading day; or

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upon the occurrence of specified corporate events described under Description of the Notes Conversion Rights Conversion Upon Specified Corporate Events.

On or after February 1, 2018, until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert their notes at any time, regardless of the foregoing circumstances.

The conversion rate will initially equal shares of common stock per $1,000 principal amount of notes (equivalent to an initial conversion price of approximately $ per share of common stock), subject to adjustment as described in this prospectus supplement.

In addition, following the occurrence of certain corporate events, we will, in certain circumstances, increase the conversion rate for a holder that converts its notes in connection with such corporate event. See Description of the Notes Adjustment to Conversion Rate Upon Conversion in Connection with a Make-Whole Fundamental Change.

You will not receive any additional cash payment representing accrued and unpaid interest, if any, upon conversion of a note, except in limited circumstances. Instead, interest will be deemed paid by our payment of the amount of cash or the amount of cash and the number of shares of our common stock, if any, as the case may be, into which your note is convertible. See Description of the Notes Conversion Rights General.

Settlement Upon Conversion

Upon conversion of a note we will, in respect of each $1,000 principal amount of notes being converted, pay a settlement amount (as defined herein) equal to the sum of the daily settlement amounts for each of the 60 consecutive trading days during the cash settlement averaging period (as defined herein) applicable to such note. For any trading day, the daily settlement amount will include an amount of cash equal to the daily principal portion (as defined herein) for such trading day. If the daily conversion value for such trading day exceeds the daily principal portion for such trading day, the daily settlement amount will also include, at our election, cash, shares of our common stock or a combination of cash and shares of our common stock having a value equal to the excess of the daily conversion value for such trading day over the daily principal portion for such trading day, all calculated as described under Description of the Notes Conversion Rights Settlement Upon Conversion.

No Redemption

We may not redeem the notes prior to maturity, and no sinking fund will be provided for the notes.

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Fundamental Change	If we undergo a fundamental change (as defined under Description of the Notes Fundamental Change Permits Holders to Require Us to Purchase Notes), subject to certain conditions, you may require us to purchase for cash all or part of your notes. The fundamental change purchase price will equal 100% of the principal amount of the notes to be purchased, plus accrued and unpaid interest, if any, to, but excluding, the fundamental change purchase date.
Ranking	The notes will be our senior unsecured obligations and will rank:

- senior in right of payment to any future indebtedness we may have that is expressly subordinated in right of payment to the notes;
- equal in right of payment to our existing and future unsecured indebtedness that is not so subordinated, including our 2038 Convertible Senior Notes, our 1.875% Convertible Senior Notes due 2016 (the 2016 Convertible Senior Notes), amounts outstanding under our liquidity facility (as defined herein) and the guarantees of MF Global Holdings Ltd. under the secured credit facility (as defined herein);
- effectively junior in right of payment to any of our existing and future secured indebtedness, to the extent of the value of the assets securing such indebtedness; and
- structurally junior to all existing and future indebtedness (including trade payables) of our subsidiaries, amounts outstanding under the secured credit facility, as well as to any of our existing or future indebtedness that may be guaranteed by any of our subsidiaries (to the extent of any such guarantee, including the guarantees of our subsidiaries under the liquidity facility and the secured credit facility).

As of June 30, 2011, our total consolidated indebtedness (excluding trade payables, as defined under Description of the Notes Ranking) was $783.2 million, none of which was secured indebtedness and $24.1 million of which was indebtedness of our subsidiaries to third parties (excluding trade payables and the guarantees of our subsidiaries under the liquidity facility and the secured credit facility). After giving effect to the issuance of the notes (assuming no exercise of the underwriters option to purchase additional notes) and the use of net proceeds therefrom, our total consolidated indebtedness at such date would have been $ million (excluding trade payables), which includes the debt discount associated with the notes. See Capitalization.

	The indenture governing the notes will not limit the amount of debt that we or our subsidiaries may incur.
Events of Default	Except as described under Description of the Notes Events of Default, if an event of default with respect to the notes occurs, holders may, upon satisfaction of certain conditions, accelerate the principal amount of the notes plus accrued and unpaid interest. In addition, the principal amount of the notes plus accrued and unpaid interest will automatically become due and payable in the case of certain types of bankruptcy or insolvency events of default involving us.
Book-Entry Form	The notes will be issued in book-entry form and will be represented by one or more permanent global certificates deposited with, or on behalf of, The Depository Trust Company, which we refer to as DTC, and registered in the name of a nominee of DTC. Beneficial interests in any of the notes will be shown on, and transfers will be effected only through, records maintained by DTC or its nominee and any such interest may not be exchanged for certificated securities, except in limited circumstances.
Absence of a Public Market for the Notes	Prior to this offering, there was no public market for the notes, and we do not intend to list the notes on any national securities exchange. If no active trading market develops, you may not be able to resell your notes at their fair market value or at all. Future trading prices of the notes will depend on many factors, including the market price of our common stock, prevailing interest rates, our operating results and the market for similar securities. We have been informed by the representatives of the underwriters that certain underwriters currently intend to make a market in the notes after this offering is completed. However, such underwriters are not obligated to do so, and they may cease their market-making at any time and without notice.
No Listing	We do not intend to apply for listing of the notes on any securities exchange. Our common stock is listed on the New York Stock Exchange under the symbol MF.
Material U.S. Federal Income Tax Consequences	For certain material U.S. federal income tax considerations relating to the purchase, ownership and disposition of the notes and the shares of our common stock into which the notes are convertible, see Material U.S. Federal Income Tax Consequences.
Trustee, Paying Agent, Conversion Agent and Bid Solicitation Agent	Deutsche Bank Trust Company Americas.

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Use of Proceeds	We estimate that the net proceeds from this offering will be approximately $ million (or approximately $ million if the underwriters exercise their option to purchase additional notes in full), after deducting underwriting discounts and commissions and estimated offering expenses payable by us.
	We intend to use approximately $ million of the net proceeds from this offering to fund the cost of entering into the convertible note hedge transactions (after such cost is partially offset by the proceeds that we receive from entering into the warrant transactions). In addition, we expect to repurchase approximately $109.1 million of our outstanding 2038 Convertible Senior Notes from a limited number of holders of such notes in privately-negotiated transactions, which will be conditioned upon the closing of this offering. We intend to use approximately $130.6 million of the net proceeds from this offering to complete such repurchases and to pay all fees and expenses in connection therewith. We intend to use any remaining net proceeds from this offering for general corporate purposes. If we do not complete this offering, we will not repurchase the 2038 Convertible Senior Notes.
	If the underwriters exercise their option to purchase additional notes, we intend to use a portion of the net proceeds to fund the cost of entering into additional convertible note hedge transactions (after such cost is partially offset by the proceeds that we expect to receive from entering into additional warrant transactions). We may use the remainder of such net proceeds to repay a portion of the outstanding indebtedness under our liquidity facility and for general corporate purposes. See Use of Proceeds.
Concurrent Convertible Note Hedge Transactions and Warrant Transactions	In connection with the pricing of the notes, we intend to enter into privately-negotiated convertible note hedge transactions with certain of the underwriters and/or their affiliates (in this capacity, the hedge counterparties). The convertible note hedge transactions will cover, subject to customary anti-dilution adjustments, the number of shares of common stock that will initially underlie the notes sold in this offering. We also intend to enter into separate, privately-negotiated warrant transactions with the hedge counterparties relating to the same number of shares of our common stock with a strike price initially equal to $, subject to customary anti-dilution adjustments. The warrants will be settled on a net-share basis or we may, subject to certain conditions, settle the warrants in cash.

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If the underwriters exercise their option to purchase additional notes, we intend to enter into additional convertible note hedge transactions and additional warrant transactions with the hedge counterparties, which will initially cover the number of shares of our common stock that will initially underlie the additional notes sold to the underwriters.

The convertible note hedge transactions are expected to reduce the potential dilution with respect to our common stock upon conversion of the notes. The warrant transactions could have a dilutive effect with respect to our common stock to the extent that the price per share of our common stock exceeds the strike price of the warrants.

In connection with establishing their initial hedge positions with respect to the convertible note hedge transactions and the warrant transactions, we expect that the hedge counterparties and/or their affiliates:

- will enter into various cash-settled over-the-counter derivative transactions with respect to our common stock concurrently with, or shortly following, the pricing of the notes; and

- may unwind these cash-settled over-the-counter derivative transactions and purchase shares of our common stock in open market transactions following the pricing of the notes.

These activities could have the effect of increasing, or preventing a decline in, the market price of our common stock concurrently with or after the pricing of the notes. The effect, if any, of these activities, including the direction or magnitude, on the market price of our common stock will depend on a variety of factors, including market conditions, and cannot be ascertained at this time.

In addition, we expect that the hedge counterparties and/or their affiliates will modify their hedge positions with respect to the convertible note hedge transactions and warrant transactions from time to time after the pricing of the notes, and are likely to do so during any cash settlement averaging period, by purchasing or selling shares of our common stock or the notes in privately-negotiated transactions and/or open market transactions or by entering into and/or unwinding various over-the-counter derivative transactions with respect to our common stock. The effect, if any, of these activities on the market price of our common stock or the trading price of the notes will depend on a variety of factors, including market conditions, and cannot be ascertained at this time. Any of these activities could, however, adversely affect the market price of our common

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	stock and, consequently, the value of the consideration that you receive upon conversion of the notes and the trading price of the notes.
	See Risk Factors Risks Related to the Notes and to this Offering The convertible note hedge transactions and warrant transactions may affect the value of the notes and our common stock, Description of the Concurrent Convertible Note Hedge Transactions and the Warrant Transactions and Underwriting.
	The convertible note hedge transactions and the warrant transactions are separate transactions, in each case, entered into by us with the hedge counterparties, and are not part of the terms of the notes and will not affect the holders rights under the notes. As a holder of the notes, you will not have any rights with respect to the convertible note hedge transactions or the warrant transactions.
Risk Factors	Investing in the notes and the underlying common stock involves risks. Before investing in the notes, you should carefully read and consider the information set forth in the section of this prospectus supplement entitled Risk Factors and in the documents incorporated by reference herein.

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Summary Selected Financial Data

The following tables present certain selected financial data for our business as of the dates and for the periods indicated. The summary historical statement of operations data for the three months ended June 30, 2011 and 2010 and balance sheet data as of June 30, 2011 and 2010 have been derived from our historical unaudited consolidated financial statements included in our July Current Report, which is incorporated herein by reference. We have prepared the unaudited consolidated interim financial information set forth below on the same basis as our audited consolidated financial statements, and have included all adjustments, consisting only of normal recurring adjustments, that we consider necessary for a fair presentation of our financial position and operating results for such periods. The interim results set forth below are not necessarily indicative of results for the fiscal year ending March 31, 2012 or for any other period. The summary historical statement of operations data for the fiscal years ended March 31, 2011, 2010 and 2009 and balance sheet data as of March 31, 2011 and 2010 have been derived from our historical audited consolidated financial statements included in our Annual Report, which is incorporated herein by reference. The selected historical statement of operations data for the fiscal years ended March 31, 2008 and 2007 and balance sheet data as of March 31, 2009, 2008 and 2007 presented in this table have been derived from Item 6 of our Annual Report.

Our historical results are not necessarily indicative of future operating results. These tables should be read in conjunction with, and are qualified in their entirety by reference to, our consolidated financial statements and related notes and Management s Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report as well as the information in the July Current Report, both of which are incorporated by reference.

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	Three Months Ended June 30, 2011	Three Months Ended June 30, 2010	Year Ended March 31, 2011	2010	2009	2008	2007(1)
	(unaudited)						
			(in millions, except per share data)				
Statement of Operations							
Revenues							
Commissions	$ 364.7	$ 376.6	$ 1,433.9	$ 1,386.0	$ 1,642.4	$ 2,014.8	$ 1,666.5
Principal transactions	116.8	66.3	243.2	151.0	280.1	283.7	313.6
Interest income	112.2	114.2	516.5	415.3	816.6	3,440.0	4,010.1
Other	7.5	11.9	39.9	42.4	112.4	54.1	37.8
Total revenues	611.24	569.1	2,233.6	1,994.7	2,851.6	5,792.6	6,028.0
Interest and transaction-based expenses:							
Interest expense	41.6	45.4	229.7	137.3	431.9	2,937.9	3,673.0
Execution and clearing fees	186.5	175.2	681.1	601.8	741.0	927.4	700.4
Sales commissions	68.7	59.0	253.7	240.6	252.0	291.0	275.9
Total interest and transaction-based expenses	296.7	279.7	1,164.5	979.7	1,424.9	4,156.2	4,649.3
Revenues, net of interest and transaction-based expenses	314.5	289.4	1,069.1	1,015.0	1,426.7	1,636.3	1,378.7
Expenses							
Employee compensation and benefits (excluding non-recurring IPO awards)	171.1	155.4	620.7	668.4	787.6	889.5	833.9
Employee compensation related to non-recurring IPO awards		8.6	12.4	31.8	44.8	59.1	
Communications and technology	39.1	31.4	134.4	118.6	122.6	118.7	102.2
Occupancy and equipment costs	16.0	11.1	51.2	39.4	44.8	35.6	29.8
Depreciation and amortization	10.3	10.5	44.4	55.1	57.8	54.8	46.8
Professional fees	24.0	18.1	75.2	85.6	97.9	80.7	50.3
General and other	22.1	19.5	117.2	115.7	102.5	109.6	97.4
PAAF legal settlement						76.8	
Broker related loss						141.0	
IPO-related costs				0.9	23.1	56.1	33.5
Restructuring charges	2.1	9.8	25.5				
Impairment of intangible assets and goodwill	.7	.8	19.8	54.0	82.0		
Total other expenses	**285.4**	**265.3**	**1,101.0**	**1,169.5**	**1,363.1**	**1,624.6**	**1,193.9**
Gains on exchange seats and shares	2.2	2.0	2.7	8.5	15.1	79.5	126.7
Net gain on settlement of legal proceeding							21.9
Loss on extinguishment of debt			4.1	9.7		18.3	
Interest on borrowings	13.8	9.5	42.9	39.7	68.6	69.3	43.8
(Loss)/income before provision for income taxes	**17.6**	**16.6**	**(76.3)**	**(195.4)**	**9.9**	**3.6**	**289.7**
Provision/(benefit) for income taxes	4.8	8.1	5.2	(56.3)	41.9	66.6	100.0
Equity in income/(loss) of unconsolidated companies (net of tax)	.8	.6	2.7	3.8	(16.2)	(1.7)	0.1
Net (loss)/income	13.6	9.1	(78.8)	(135.3)	(48.1)	(64.7)	189.7
Net income attributable to noncontrolling interest (net of tax)	.3	.2	2.4	1.7	1.0	4.9	1.7
Net (loss)/income attributable to MF Global Holdings Ltd.	**$ 13.3**	**$ 8.8**	**$ (81.2)**	**$ (137.0)**	**$ (49.1)**	**$ (69.5)**	**$ 188.0**

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	Three Months Ended June 30, 2011 (unaudited)	Three Months Ended June 30, 2010 (unaudited)	Year Ended March 31, 2011	2010	2009	2008	2007[(1)]
			(in millions, except per share data)				
Weighted average number of basic shares outstanding[(2)]	164,272,690	130,196,655	154,405,951	123,222,780	121,183,447	115,027,797	103,726,453
Weighted average number of diluted shares outstanding[(2)]	164,293,357	133,999,818	154,405,951	123,222,780	121,183,447	115,027,797	103,726,453
Basic (loss)/earnings per share[(3)]	$ 0.05	$ 0.01	$ (1.00)	$ (1.36)	$ (0.58)	$ (0.60)	$ 1.81
Diluted (loss)/earnings per share[(3)]	$ 0.05	$ 0.01	$ (1.00)	$ (1.36)	$ (0.58)	$ (0.60)	$ 1.81
Dividends declared per share[(4)]	$	$	$	$	$	$ 0.01	$ 0.03
Balance Sheet Data							
Total assets	$ 45,929.7	$ 47,850.7	$ 40,541.6	$ 50,966.1	$ 38,835.6	$ 49,254.9	$ 51,670.3
Long-term borrowings	$ 417.2	$ 199.8	$ 414.1	$ 499.4	$ 938.0	$	$ 594.6

(1) Prior to July 1, 2007 our financial statements were prepared on a combined basis in conformity with U.S. GAAP as if we had existed on a stand-alone basis. The combined financial statements were carved out from Man Group plc and include our accounts and our majority and wholly owned subsidiaries, in each case using the historical basis of accounting for the results of operations and assets and liabilities of the respective businesses.

(2) The weighted average number of shares of common stock outstanding for periods prior to the reorganization and separation is calculated using the number of shares of common stock outstanding immediately following the reorganization and separation.

(3) Net earnings per share for fiscal 2007 is calculated by dividing historical net income by the weighted average number of shares of common stock outstanding (basic and diluted) during fiscal 2007.

(4) These dividends were paid to Man Group plc when we were wholly owned by Man Group plc and are not indicative of future dividends. We currently do not expect to pay any cash dividends on our shares of common stock in the foreseeable future. Dividends declared per share is calculated by dividing dividends paid to Man Group plc by the number of shares of common stock outstanding (basic) during fiscal 2008 and fiscal 2007.

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RISK FACTORS

Any investment in the notes involves a high degree of risk. You should carefully consider, among other things, the matters discussed under Risk Factors in our Annual Report, the risks set forth herein, as well as the other information incorporated by reference in this prospectus supplement. The risks and uncertainties described herein and in our Annual Report are not the only risks and uncertainties we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations. If any of the following risks actually occur, our business, financial condition and results of operations could suffer. As a result, the trading price of the notes, or our shares of common stock into which the notes are convertible, as described herein, could decline, perhaps significantly, and you could lose all or part of your investment. The risks discussed herein as well as in our Annual Report that is incorporated herein by reference also include forward-looking statements and our actual results may differ substantially from those discussed in these forward-looking statements. See Forward-Looking Statements.

The risks described below focus on risks related to the notes, whereas the risks described in the documents referenced above focus on risks related to our industry and business, our capital needs and financial position, regulation and litigation and our operations and technology.

Risks Related to the Notes and to this Offering

We expect that the trading price of the notes will be significantly affected by changes in the market price of our common stock, the interest rate environment and our credit quality, each of which could change substantially at any time.

We expect that the trading price of the notes will depend on a variety of factors, including, without limitation, the market price of our common stock, the interest rate environment and our credit quality. Each of these factors may be volatile, and may or may not be within our control.

For example, the trading price of the notes will increase with the market price and volatility of our common stock. We cannot, however, predict whether the market price of our common stock will rise or fall or whether the volatility of our common stock will continue at its historical level. In addition, general market conditions, including the level of, and fluctuations in, the market price of stocks generally, may affect the market price and the volatility of our common stock. Moreover, we may or may not choose to take actions that could influence the volatility of our common stock.

Likewise, if interest rates, or expected future interest rates, rise during the term of the notes, the yield of the notes will likely decrease, but the value of the convertibility option embedded in the notes will likely increase. Because interest rates and interest rate expectations are influenced by a wide variety of factors, many of which are beyond our control, we cannot assure you that changes in interest rates or interest rate expectations will not adversely affect the trading price of the notes.

Furthermore, the trading price of the notes will likely be significantly affected by any change in our credit quality. Because our credit quality is influenced by a variety of factors, some of which are beyond our control, we cannot guarantee that we will maintain or improve our credit quality during the term of the notes. In addition, because we may choose to take actions that adversely affect our credit quality, such as incurring additional debt, there can be no guarantee that our credit quality will not decline during the term of the notes, which would likely negatively impact the trading price of the notes.

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The claims of holders of the notes will be structurally subordinated to claims of creditors of our subsidiaries because our subsidiaries will not guarantee the notes. In addition, we are a holding company with minimal independent operations. Our ability to repay our debt, including the notes, depends on the performance of our subsidiaries and their ability to make distributions to us.

The notes will not be guaranteed by any of our subsidiaries. Accordingly, none of our subsidiaries is obligated to pay any amounts due pursuant to the notes, or to make any funds available therefor. Consequently, claims of holders of the notes will be structurally subordinated to the claims of creditors of these subsidiaries, including trade creditors. As a result, in the event of a bankruptcy, liquidation or reorganization of any of our subsidiaries, such subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to us.

As a holding company, substantially all of our business is conducted through our subsidiaries, which are separate and distinct legal entities. Therefore, our ability to service our indebtedness, including the notes, is dependent on the earnings and the distribution of funds (whether by dividend, distribution or loan) from our subsidiaries. None of our subsidiaries is obligated to make funds available to us for payment on the notes. We cannot assure you that the agreements governing the existing and future indebtedness of our subsidiaries will permit our subsidiaries to provide us with sufficient dividends, distributions or loans to fund payments on the notes when due. In addition, any payment of dividends, distributions or loans to us by our subsidiaries could be subject to restrictions on dividends or repatriation of earnings under applicable local law and monetary transfer restrictions in the jurisdictions in which our subsidiaries operate. Moreover, certain of our subsidiaries may be prohibited from making payments to us unless they meet certain regulatory capital requirements, which they may or may not be able to meet during the term of the notes. Furthermore, MF Global Holdings Ltd. guarantees many of the obligations of its subsidiaries and such guarantees may require us to provide substantial funds or assets to our subsidiaries, or their creditors at a time when MF Global needs liquidity to fund its own obligations, such as the notes.

As of June 30, 2011, the notes would have been structurally subordinated to $24.1 million of indebtedness and other liabilities of our subsidiaries to third parties, as well as to the guarantees of our subsidiaries under the liquidity facility and the secured credit facility and to trade payables of our subsidiaries, which include, for example, securities sold under repurchase agreements, securities sold, not yet purchased, obligations to return securities borrowed and securities loaned. Our subsidiaries generated 91.5% of our consolidated revenues, net of interest and transaction-based expenses, in the fiscal quarter ended June 30, 2011 and held 85.8% of our consolidated assets as of June 30, 2011.

Our substantial indebtedness could adversely affect our business, financial condition or results of operations and prevent us from fulfilling our obligations under the notes.

We currently have and, after this offering, will continue to have a significant amount of indebtedness. As of June 30, 2011, our total consolidated indebtedness was $783.2 million (excluding trade payables and the guarantees of our subsidiaries under the liquidity facility and secured credit facility). This substantial level of indebtedness increases the risk that we may be unable to generate enough cash to pay amounts due in respect of our indebtedness, including the notes.

Our substantial indebtedness could have important consequences to you and significant effects on our business. For example, it could:

- make it more difficult for us to satisfy our obligations with respect to the notes;
- increase our vulnerability to general adverse economic and industry conditions;

- require us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, our strategic growth initiatives and development efforts and other general corporate purposes;

- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;

- restrict us from exploiting business opportunities;

- place us at a competitive disadvantage compared to our competitors that have less indebtedness; and

- limit our ability to borrow additional funds for working capital, capital expenditures, acquisitions, debt service requirements, execution of our business strategy or other general corporate purposes.

In addition, the credit agreement governing our liquidity facility contains, and the agreements that may govern any future indebtedness that we may incur may contain, financial and other restrictive covenants that will limit our ability to engage in activities that may be in our long-term best interests. Our failure to comply with those covenants could result in an event of default that, if not cured or waived, could result in the acceleration of all of our debt.

Despite our substantial current indebtedness, we and our subsidiaries may still be able to incur substantially more indebtedness. This could further exacerbate the risks associated with our substantial leverage.

We and our subsidiaries may be able to incur substantial additional indebtedness in the future, including pursuant to a capital markets transaction such as a notes offering as well as secured indebtedness. In particular, one of our subsidiaries, MF Global Inc., has recently entered into a $300 million senior secured revolving credit facility (the secured credit facility), which is secured by fully-paid-for broker-dealer assets of such subsidiary and which is guaranteed by MF Global Holdings Ltd. and another of our subsidiaries. As such, the notes will be structurally subordinate to indebtedness under such facility. Furthermore, neither the base indenture nor the supplemental indenture limits the amount of debt that we or our subsidiaries may issue. As of June 30, 2011, we had $858.9 million available for borrowing under our liquidity facility, and $300 million available for borrowing under the secured credit facility, in each case subject to the applicable termination dates. Such available amounts under the liquidity facility do not give effect to the additional sums we will be able to borrow if we repay any portion of our liquidity facility with the net proceeds of this offering, as described under Use of Proceeds . Adding new indebtedness to current debt levels could make it more difficult for us to satisfy our obligations with respect to the notes.

The notes are not protected by restrictive covenants, which in turn may allow us to engage in a variety of transactions that may impair our ability to fulfill our obligations under the notes.

The indenture governing the notes will not contain any financial covenants and will not restrict us from paying dividends, incurring debt or issuing or repurchasing our other securities. Because the indenture will not contain any covenants or other provisions designed to afford holders of the notes protection in the event of a highly leveraged transaction involving us or in the event of a decline in our credit rating for any reason, including as a result of a takeover, recapitalization, highly leveraged transaction or similar restructuring involving us, except to the extent described under Description of the Notes Fundamental Change Permits Holders to Require Us to Purchase Notes, Description of the Notes Consolidation, Merger and Sale of Assets and Description of the Notes Adjustment to

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Conversion Rate Upon Conversion in Connection with a Make-Whole Fundamental Change, we may engage in transactions that may impair our ability to fulfill our obligations under the notes. Other than the repurchase right, the restrictions provided by the merger covenant and our obligation to increase the conversion rate with respect to the notes in certain circumstances upon the occurrence of certain events, we generally have no duty to consider the interests of holders of the notes in determining whether to engage in such transactions.

Recent regulatory actions may adversely affect the trading price and liquidity of the notes.

We expect that many investors in, and potential purchasers of, the notes will employ, or seek to employ, a convertible arbitrage strategy with respect to the notes. Investors that employ a convertible arbitrage strategy with respect to convertible debt instruments typically implement that strategy by selling short the common stock underlying the convertible notes and dynamically adjusting their short position while they hold the notes. As a result, any specific rules regulating short selling of securities or other governmental action that interferes with the ability of market participants to effect short sales in our common stock could adversely affect the ability of investors in, or potential purchasers of, the notes to conduct the convertible arbitrage strategy that we believe they will employ, or seek to employ, with respect to the notes. This could, in turn, adversely affect the trading price and liquidity of the notes.

Over the last several months, the SEC and other regulatory and self-regulatory authorities have implemented various rule changes and are expected to adopt additional rule changes in the future that may impact those engaging in short selling activity involving equity securities (including our common stock). In particular, Rule 201 of SEC Regulation SHO now restricts short selling when the price of a covered security triggers a circuit breaker by falling 10% or more in one day. If this circuit breaker is triggered, short sale orders can be displayed or executed only if the order price is above the current national best bid, subject to certain limited exceptions. Because our common stock is a covered security, these Rule 201 restrictions may interfere with the ability of investors in, and potential purchasers of, the notes, to effect short sales in our common stock and conduct the convertible arbitrage strategy that we believe they will employ, or seek to employ, with respect to the notes.

The SEC also approved a pilot program allowing several national securities exchanges and the Financial Industry Regulatory Authority, Inc. (FINRA) to halt trading in securities included in the S&P 500 Index, Russell 1000 Index and over 300 exchange traded funds if the price of any such security moves 10% or more from a sale price in a five-minute period (the SRO pilot program). The SRO pilot program was recently extended to the earlier of August 11, 2011 or the date on which a proposed new limit up / limit down mechanism to address extraordinary market volatility is adopted and effective as to the securities covered by the SRO pilot program (the limit up / limit down proposal). The limit up/limit down proposal advanced by FINRA and other SROs would lock trading in listed equity securities into a price band based on the security s average price over the preceding five minutes. The price bands would be 5% above or below the average price for securities currently subject to the SRO pilot program, and 10% for securities not subject to the SRO pilot program; the percentage bands would be doubled during opening or closing. The inability to trade within those price bands would trigger a trading pause. The SEC is expected to determine whether to approve the limit up/limit down proposal following a comment period that expired on June 22, 2011. Our common stock is not among the securities covered by the SRO pilot program currently in place. However, the SEC has also approved a proposed expansion of the SRO pilot program to include all remaining NMS stocks that were not previously covered under the program. These newly covered (so-called Phase III) securities will be subject to wider price move percentages to reflect certain differences in their typical trading characteristics, such as higher volatility and lower liquidity and trading volume. The implementation date for the expanded SRO pilot program is anticipated to be August 8, 2011 and, unless the limit up / limit down proposal is adopted and effective prior to that date, it is likely that the expiration date for the SRO pilot program will be further extended as well.

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FINRA and exchange rule amendments intended to clarify the review process for potentially erroneous trades in exchange-listed securities have also been adopted. In particular, these rule amendments establish uniform standards for reviews of (i) multi-stock events involving 20 or more securities and (ii) transactions that trigger an individual stock trading pause by a primary listing market and subsequent transactions that occur before the trading halt is in effect for over-the-counter trading. The relevant amendments to FINRA Rule 11892 (Clearly Erroneous Transactions in Exchange-Listed Securities) and corresponding exchange rules were approved on September 10, 2010 on a pilot basis, with an original end date of April 11, 2011. However, the SEC has approved a rule change extending the pilot period to the earlier of August 11, 2011 or the date on which the limit up/limit down proposal is adopted and effective as to the securities covered by the pilot. As noted above, it appears likely that, unless the limit up / limit down proposal is adopted and effective prior to August 11, 2011, the expiration date for this pilot will be further extended as well.

The enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act on July 21, 2010 also introduces regulatory uncertainty that may impact trading activities relevant to the convertible notes. This new legislation may require many over-the-counter swaps to be centrally cleared through regulated clearinghouses and traded on exchanges or comparable trading facilities. In addition, swap dealers and major market participants may be required to comply with margin and capital requirements as well as public reporting requirements to provide transaction and pricing data on both cleared and uncleared swaps. These requirements could adversely affect the ability of investors in, or potential purchasers of, the notes to implement a convertible arbitrage strategy with respect to the notes (including increasing the costs incurred by such investors in implementing such strategy). This could, in turn, adversely affect the trading price and liquidity of the notes. The legislation will become effective 60 days after the publication of the final rule; however, it is unclear whether the margin requirements will apply retroactively to existing swap transactions. We cannot predict how this legislation will ultimately be implemented by the SEC and other regulators or the magnitude of the effect that this legislation will have on the trading price or liquidity of the notes.

Although the direction and magnitude of the effect that the amendments to Regulation SHO, FINRA and national securities exchange rule changes and/or implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act may have on the trading price and the liquidity of the notes will depend on a variety of factors, many of which cannot be determined at this time, past regulatory actions have had a significant impact on the trading prices and liquidity of convertible debt instruments. For example, in September 2008, the SEC issued emergency orders generally prohibiting short sales of the common stock of a variety of financial services companies while Congress worked to provide a comprehensive legislative plan to stabilize the credit and capital markets. The orders made the convertible arbitrage strategy that many convertible debt investors employ difficult to execute and adversely affected both the liquidity and trading price of convertible debt instruments issued by many of the financial services companies subject to the prohibition. Any governmental action that similarly restricts the ability of investors in, or potential purchasers of, the notes to effect short sales of our common stock, including the recently adopted amendments to Regulation SHO, FINRA and exchange rule changes and the implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act, could similarly adversely affect the trading price and the liquidity of the notes.

Some significant restructuring transactions that may adversely affect you may not constitute a fundamental change under the indenture, in which case we would not be obligated to offer to repurchase the notes.

Upon the occurrence of a fundamental change (as defined under Description of the Notes Fundamental Change Permits Holders to Require Us to Purchase Notes), you have the right, at your option, to require us to repurchase your notes for cash. However, the definition of fundamental change contained in the indenture is limited to certain enumerated transactions. As a result, the fundamental change provision of the indenture will not afford protection to holders of notes in the event of other

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transactions that could adversely affect the notes. For example, transactions such as leveraged recapitalizations, refinancings, restructurings or acquisitions initiated by us may not constitute a fundamental change requiring us to repurchase the notes. In the event of any such transaction, holders of the notes would not have the right to require us to repurchase their notes, even though each of these transactions could increase the amount of our indebtedness, or otherwise adversely affect our capital structure or any credit ratings, thereby adversely affecting the holders of notes.

The adjustment to the conversion rate for notes converted in connection with a make-whole fundamental change may not adequately compensate you for any lost option value of your notes as a result of such transaction. In addition, the definition of a make-whole fundamental change is limited and may not protect you from losing some of the option value of your notes in the event of a variety of transactions that do not constitute a make-whole fundamental change.

Upon the occurrence of a make-whole fundamental change, we will, in certain circumstances, increase the conversion rate for a holder that converts its notes in connection with such make-whole fundamental change. The increase in the conversion rate will be determined based on the date on which the make-whole fundamental change becomes effective and the price paid (or deemed paid) per share of our common stock in such make-whole fundamental change, all as described below under Description of the Notes Adjustment to Conversion Rate Upon Conversion in Connection with a Make-Whole Fundamental Change.

Although the adjustment to the conversion rate for notes converted in connection with a make-whole fundamental change is designed to compensate you for the option value of your notes that you lose as a result of a make-whole fundamental change, it is only an estimate of such value and may not adequately compensate you for such lost option value. In addition, if the price paid (or deemed paid) for our common stock in the make-whole fundamental change is greater than $ per share or less than $ per share (in each case, subject to adjustment in accordance with the indenture), then we will not be required to adjust the conversion rate if you convert your notes in connection with such make-whole fundamental change. Moreover, in no event will we increase the conversion rate solely because of such an adjustment to a rate that exceeds shares of common stock per $1,000 principal amount of notes, subject to adjustments in accordance with the indenture.

Furthermore, the definition of make-whole fundamental change contained in the indenture is limited to certain enumerated transactions. As a result, the make-whole fundamental change provisions of the indenture will not afford protection to holders of the notes in the event that other transactions occur that could adversely affect the option value of the notes. For example, transactions, such as a spin-off or sale of a subsidiary with volatile earnings, or a change in our subsidiaries lines of business, could significantly affect the trading characteristics of our common stock and thereby reduce the option value embedded in the notes without triggering a make-whole fundamental change.

In addition, our obligation to increase the conversion rate upon the occurrence of a make-whole fundamental change could be considered a penalty, in which case the enforceability thereof could be subject to general equity principles such as the reasonableness of economic remedies.

Adjustments to the conversion rate do not cover all dilutive events that may adversely affect the value of the notes.

The conversion rate of the notes is subject to adjustment for certain events, including, but not limited to, the issuance of stock dividends on our common stock, the issuance of certain rights, options or warrants, subdivisions, combinations, distributions of our capital stock, indebtedness, or assets, cash dividends and certain issuer tender or exchange offers as described under Description of the Notes Conversion Rights Conversion Rate Adjustments. However, the conversion rate will not be adjusted for other events, such as a third-party tender or exchange offer or an issuance of common

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stock for cash or in connection with an acquisition, that may adversely affect the trading price of the notes or our common stock. An event that adversely affects the value of the notes may occur and that event may not result in an adjustment to the conversion rate.

We may not have the ability to raise funds necessary to settle conversions of the notes or to purchase the notes upon a fundamental change.

If a fundamental change occurs, you will have the right, at your option, to require us to purchase for cash any or all of your notes, or any portion of the principal amount thereof such that the principal amount that remains outstanding of each note purchased in part equals $1,000 or an integral multiple of $1,000 in excess thereof. The fundamental change purchase price will equal 100% of the principal amount of the notes to be purchased, plus accrued and unpaid interest, if any, to, but excluding, the fundamental change purchase date. In addition, upon conversion of the notes, we will be required to make cash payments in respect of the notes being converted. However, we may not have sufficient funds at the time we are required to purchase the notes surrendered therefor or notes being converted and we may not be able to arrange necessary financing on acceptable terms, if at all. In addition, our ability to purchase the notes may be limited by law, by regulatory authority or by the agreements governing our other indebtedness outstanding at the time. If we fail to pay the fundamental change purchase price when due, or fail to pay any amount of cash due upon conversion within five business days of its due date, we will be in default under the indenture governing the notes. A default under the indenture or the fundamental change itself could also lead to a default under the agreements governing our other indebtedness.

If an active trading market does not develop for the notes, you may not be able to resell them.

Prior to this offering, there was no public market for the notes, and we do not currently plan to list the notes on any securities exchange. If no active trading market develops, you may not be able to resell your notes at their fair market value or at all. The liquidity of the trading market in the notes and future trading prices of the notes will depend on many factors, including prevailing interest rates, our operating results and the market for similar securities. We have been informed by the representatives of the underwriters that certain underwriters currently intend to make a market in the notes after this offering is completed. However, such underwriters may cease their market-making at any time.

The convertible note hedge transactions and warrant transactions may affect the value of the notes and our common stock.

In connection with the pricing of the notes, we intend to enter into privately-negotiated convertible note hedge transactions with the hedge counterparties. The convertible note hedge transactions will cover, subject to customary anti-dilution adjustments, the number of shares of common stock that will initially underlie the notes sold in this offering. We also intend to enter into separate, privately-negotiated warrant transactions with the hedge counterparties relating to the same number of shares of our common stock.

If the underwriters exercise their option to purchase additional notes, we intend to enter into additional convertible note hedge transactions and additional warrant transactions with the hedge counterparties, which will initially cover the number of shares of our common stock that will initially underlie the additional notes sold to the underwriters.

In connection with establishing their initial hedge positions with respect to the convertible note hedge transactions and the warrant transactions, we expect that the hedge counterparties and/or their affiliates:

- will enter into various cash-settled over-the-counter derivative transactions with respect to our common stock concurrently with, or shortly following, the pricing of the notes; and

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may unwind these cash-settled over-the-counter derivative transactions and purchase shares of our common stock in open market transactions following the pricing of the notes.

These activities could have the effect of increasing, or preventing a decline in, the market price of our common stock concurrently with or after the pricing of the notes. The effect, if any, of these activities, including the direction or magnitude, on the market price of our common stock will depend on a variety of factors, including market conditions, and cannot be ascertained at this time.

In addition, we expect that the hedge counterparties and/or their affiliates will modify their hedge positions with respect to the convertible note hedge transactions and warrant transactions from time to time after the pricing of the notes, and are likely to do so during any cash settlement averaging period for the notes, by purchasing or selling shares of our common stock or the notes in privately-negotiated transactions and/or open-market transactions or by entering into and/or unwinding various over-the-counter derivative transactions with respect to our common stock.

The effect, if any, of these activities on the market price of our common stock and the trading price of the notes will depend on a variety of factors, including market conditions, and cannot be ascertained at this time. Any of these activities could, however, adversely affect the market price of our common stock and, consequently, the value of the consideration that you receive upon conversion of the notes and the trading price of the notes. In addition, the hedge counterparties and/or their affiliates may choose to engage in, or to discontinue engaging in, any of these transactions with or without notice at any time, and their decisions will be in their sole discretion and not within our control.

The conditional conversion features of the notes, if triggered, may adversely affect our financial condition.

If one of the conversion contingencies is triggered, holders of notes will be entitled to convert the notes at any time during specified periods. See Description of the Notes Conversion Rights. If one or more holders elect to convert their notes, we would be required to settle a portion of or all of our conversion obligation through the payment of cash, which could adversely affect our liquidity and various aspects of our business (including our credit ratings and the trading price of the notes).

The conditional conversion feature of the notes could result in your receiving less than the value of the cash or the cash and shares of common stock, if any, as the case may be, into which your notes would otherwise be convertible.

Prior to February 1, 2018, you may convert your notes only if specified conditions are met. If the specific conditions for conversion are not met, you will not be able to convert your notes, and you may not be able to receive the value of the cash or combination of cash and shares of common stock, if any, as the case may be, into which your notes would otherwise be convertible. Therefore, you may not be able to realize the appreciation, if any, in the value of our common stock after the issuance of the notes in this offering and prior to such date. In addition, the inability to freely convert your notes may also adversely affect the trading price of the notes and your ability to resell the notes.

The settlement feature of the notes may have adverse consequences.

The settlement feature of the notes, as described under Description of the Notes Conversion Rights Settlement Upon Conversion, may:

- result in holders receiving no shares upon conversion or fewer shares relative to the conversion value of the notes;

- reduce our liquidity;

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- delay holders receipt of the consideration due upon conversion; and

- subject holders to the market risks of our shares before receiving any shares upon conversion.

That is, upon conversion of the notes, you will receive cash or, at our election, a combination of cash and shares of our common stock, if any, based upon the volume weighted average prices of our common stock for each of the 60 trading days during the applicable cash settlement averaging period. As described under Description of the Notes Conversion Rights Settlement Upon Conversion, this period means, for notes with a conversion date occurring on or after the 65th scheduled trading day before the maturity date, the 60 consecutive trading-day period beginning on, and including, the 62nd scheduled trading day prior to the maturity date (or, if such scheduled trading day is not a trading day, the immediately following trading day), and in all other instances, the 60 consecutive trading-day period beginning on, and including, the third trading day immediately following the related conversion date. Accordingly, if the price of our common stock decreases during this period, the amount and/or value of consideration you receive will be adversely affected. Furthermore, because we must settle at least a portion of our conversion obligation in cash, the conversion of notes may significantly reduce our liquidity. See Description of the Notes Conversion Rights Settlement Upon Conversion.

We are subject to counterparty risk with respect to the convertible note hedge transactions.

The hedge counterparties are financial institutions, and we will be subject to the risk that any or all of them might default under the convertible note hedge transactions. Our exposure to the credit risk of the hedge counterparties will not be secured by any collateral. Recent global economic conditions have resulted in the actual or perceived failure or financial difficulties of many financial institutions, including the bankruptcy filing by Lehman Brothers Holdings Inc. and its various affiliates. If a hedge counterparty becomes subject to insolvency proceedings, we will become an unsecured creditor in those proceedings with a claim equal to our exposure at that time under our transactions with that hedge counterparty. Our exposure will depend on many factors but, generally, the increase in our exposure will be correlated to the increase in the market price and in the volatility of our common stock. In addition, upon a default by a hedge counterparty, we may suffer adverse tax consequences and more dilution than we currently anticipate with respect to our common stock. We can provide no assurances as to the financial stability or viability of the hedge counterparties.

We may issue additional shares of our common stock or instruments convertible into our common stock, including in connection with conversions of notes, and thereby materially and adversely affect the price of our common stock, and, in turn, the notes.

Subject to lock-up provisions that apply for the first 90 days after the date of this prospectus supplement, we are not restricted from issuing additional shares of our common stock or other instruments convertible into our common stock during the life of the notes. As of June 30, 2011, in addition to approximately 164.9 million shares of our common stock outstanding, we had outstanding securities convertible into approximately 61.6 million shares of our common stock, warrants for approximately 27.7 million shares of our common stock (none of which are currently exercisable) and options to purchase approximately 12.2 million shares of our common stock (of which 7.3 million option shares were vested as of that date). In addition, a substantial number of shares of our common stock is reserved for issuance upon the conversion of the notes and upon the exercise of the warrants. We cannot predict the size of future issuances or the effect, if any, that they may have on the market price for our common stock. If we issue additional shares of our common stock or instruments convertible into our common stock, it may materially and adversely affect the price of our common stock and, in turn, the price of the notes. Furthermore, the conversion or exercise of some or all of the notes, warrants or other outstanding securities referenced above may dilute the ownership interests of existing stockholders, and any sales in the public market of shares of our common stock issuable upon any such conversion or exercise could adversely affect prevailing market prices of our common stock

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or the notes. In addition, the anticipated issuance and sale of substantial amounts of common stock or the anticipated conversion or exercise of securities into shares of our common stock could depress the price of our common stock. We have granted registration rights to certain holders of our previously issued convertible securities, which if exercised could result in the sale of additional shares of our common stock into the market.

The accounting method for convertible debt securities that may be settled in cash, such as the notes, is the subject of recent changes that could have a material effect on our reported financial results.

In May 2008 (and effective for fiscal years beginning after December 15, 2008), the Financial Accounting Standards Board, which we refer to as FASB, issued FASB Staff Position No. APB 14-1, Accounting for Convertible Debt Instruments That May Be Settled in Cash Upon Conversion (Including Partial Cash Settlement), which we refer to as FSP APB 14-1 (and which subsequently was included under FASB Accounting Standards Codification (ASC) Section 470-20, Debt with Conversion and other Options). Under FSP APB 14-1, an entity must separately account for the liability and equity components of the convertible debt instruments (such as the notes) that may be settled entirely or partially in cash upon conversion in a manner that reflects the issuer s economic interest cost. The effect of FSP APB 14-1 on the accounting for the notes is that the equity component is required to be included in the additional paid-in capital section of equity on our consolidated balance sheets and the value of the equity component would be treated as original issue discount for purposes of accounting for the debt component of the notes. As a result, we will be required to record a greater amount of non-cash interest expense in current periods presented as a result of the accretion of the discounted carrying value of the notes to their face amount over the term of the notes. This could adversely affect our reported or future financial results, the market price of our common stock and the trading price of the notes. In addition, under certain circumstances, convertible debt instruments (such as the notes) that may be settled entirely or partly in cash are currently accounted for utilizing the treasury stock method, the effect of which is that the shares issuable upon conversion of the notes are not included in the calculation of diluted earnings per share except to the extent that the conversion value of the notes exceeds their principal amount. Under the treasury stock method, for diluted earnings per share purposes, the transaction is accounted for as if the number of shares of common stock that would be necessary to settle such excess, if we elected to settle such excess in shares, are issued. We cannot be sure that the accounting standards in the future will continue to permit the use of the treasury stock method. If we are unable to use the treasury stock method in accounting for the shares issuable upon conversion of the notes, then our diluted earnings per share would be adversely affected.

Holders of notes will not be entitled to any rights with respect to our common stock, but will be subject to all changes made with respect to our common stock to the extent our conversion obligations include shares of our common stock.

Holders of notes will not be entitled to any rights with respect to our common stock (including, without limitation, voting rights and rights to receive any dividends or other distributions on our common stock), until the time at which they become record holders of our common stock, which, if we deliver shares of common stock as part of our conversion obligation, will generally be the close of business on the last trading day of the applicable cash settlement averaging period, but will be subject to all changes affecting our common stock. For example, if an amendment is proposed to our certificate of incorporation or bylaws requiring stockholder approval and the record date for determining the stockholders of record entitled to vote on the amendment occurs prior to the date you are deemed to be a record holder of our common stock, you generally will not be entitled to vote on the amendment, although you will nevertheless be subject to any changes affecting our common stock. In addition, because of the conditional conversion, and the settlement features of the notes, which would permit us to satisfy our obligation upon conversion solely in cash, should we elect to do so, you may not be able to convert your notes until February 1, 2018 and you may not receive any shares upon conversion.

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You may be subject to tax if we make or fail to make certain adjustments to the conversion rate of the notes even though you do not receive a corresponding cash distribution.

The conversion rate of the notes is subject to adjustment in certain circumstances. If the conversion rate is adjusted as a result of a distribution that is taxable to our common stockholders, such as a cash dividend, you may be deemed to have received a dividend subject to U.S. federal income tax even though you do not receive a corresponding cash distribution. In addition, if we fail to adjust (or to adjust adequately) the conversion rate after an event that increases your proportionate interest in us, you may be deemed to have received a taxable dividend. Further, if a make-whole fundamental change occurs on or prior to the maturity date of the notes, and we increase the conversion rate for the notes converted in connection with the make-whole fundamental change, you may be deemed to have received a taxable dividend. If you are a non-U.S. holder (as defined in Material U.S. Federal Income Tax Consequences), any deemed dividend may be subject to U.S. federal withholding tax at a 30% rate, or such lower rate as may be specified by an applicable income tax treaty, which may be set off against subsequent payments of cash and common stock payable on the notes (or, in certain circumstances, against any payments on our common stock). See Material U.S. Federal Income Tax Consequences .

You may be subject to tax upon a conversion of the notes for cash or for a combination of cash and shares of our common stock.

Upon a conversion of the notes, we may deliver cash or a combination of cash and shares of our common stock, and you may be subject to U.S. federal income tax upon such a conversion of the notes for cash or for a combination of cash and shares of our common stock. See Material U.S. Federal Income Tax Consequences .

Certain provisions in the notes and the indenture as well as our organizational documents could delay or prevent an otherwise beneficial takeover or takeover attempt of us and, therefore, the ability of holders to exercise their rights associated with a potential fundamental change or a make-whole fundamental change.

Certain provisions in the notes and the indenture as well as our organizational documents could make it more difficult or more expensive for a third party to acquire us. For example, if an acquisition event constitutes a fundamental change, holders of the notes will have the right to require us to purchase their notes in cash. In addition, if an acquisition event constitutes a make-whole fundamental change, we may be required to increase the conversion rate for holders who convert their notes in connection with such make-whole fundamental change. Additionally, our certificate of incorporation and bylaws contain provisions that could similarly delay, defer or discourage a change in control of us or management. These provisions could also discourage a proxy contest and make it more difficult for stockholders to elect directors and take other corporate actions. Such provisions provide for the following, among other things: (i) the ability of our board of directors to issue shares of preferred stock without stockholder approval, (ii) the requirement that the holders of at least 80% of the outstanding stock must act to change or repeal a bylaw without the approval of our board of directors, (iii) allowing only our board of directors to set the number of directors, (iv) permitting only the holders of 10% of the outstanding shares to call a stockholders meeting without the approval of our board of directors and (v) requiring advance notice of stockholder proposals and related information. In addition, holders of our previously issued convertible securities have certain rights that could restrict a change of control or other transaction. In any of these cases, and in other cases, our obligations under the notes and the indenture as well as provisions of our organizational documents and other agreements could increase the cost of acquiring us or otherwise discourage a third party from acquiring us or removing incumbent management. For additional information about our organizational documents and other agreements and their potential effect on transactions involving a change of control, see Description of Common Stock in the accompanying prospectus.

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USE OF PROCEEDS

We estimate that the net proceeds from this offering will be approximately $ million (or approximately $ million if the underwriters exercise their option to purchase additional notes in full), after deducting underwriting discounts and commissions and estimated offering expenses payable by us. We intend to use approximately $ million of the net proceeds from this offering to fund the cost of entering into the convertible note hedge transactions (after such cost is partially offset by the proceeds that we receive from entering into the warrant transactions). In addition, we expect to repurchase approximately $109.1 million of our outstanding 2038 Convertible Senior Notes from a limited number of holders of such notes in privately-negotiated transactions, which will be conditioned upon the closing of this offering. We intend to use approximately $130.6 million of the net proceeds from this offering to complete such repurchases and to pay all fees and expenses in connection therewith. We intend to use any remaining net proceeds from this offering for general corporate purposes. If we do not complete this offering, we will not repurchase the 2038 Convertible Senior Notes. To the extent that we raise more proceeds in this offering, we may use a portion of such net proceeds to repay amounts outstanding under our $1.2 billion unsecured, committed revolving credit facility, which we refer to as our liquidity facility, and the balance for general corporate purposes. To the extent we raise less proceeds in this offering, and to the extent necessary, we will reduce the amount of outstanding 2038 Convertible Senior Notes that we repurchase.

If the underwriters exercise their option to purchase additional notes, we intend to use a portion of the net proceeds to fund the cost of entering into additional convertible note hedge transactions (after such cost is partially offset by the proceeds that we expect to receive from entering into additional warrant transactions). We may use the remainder of such net proceeds to repay a portion of the outstanding indebtedness under our liquidity facility and for general corporate purposes.

The liquidity facility bears interest at a rate of LIBOR plus 1.90% per annum on outstanding borrowings due June 15, 2012 and LIBOR plus 2.35% on outstanding borrowings due June 15, 2014. In addition, with respect to commitments and loans maturing on June 15, 2012, we pay a facility fee of 10 basis points per year, and with respect to commitments and loans maturing on June 15, 2014, we pay a facility fee of 40 basis points per year. As of June 30, 2011, we had approximately $342.0 million of borrowings outstanding under the liquidity facility. All borrowings under the liquidity facility will be repaid on a pro rata basis. We may reborrow amounts available under the liquidity facility, including those we may repay with a portion of the net proceeds of this offering, as discussed above, at any time and from time to time, subject to the applicable termination dates.

As of June 30, 2011, we had outstanding approximately $187.8 million of our 2038 Convertible Senior Notes. The 2038 Convertible Senior Notes have a maturity date of June 20, 2038 and bear interest at a rate of 9% per annum.

The information disclosed under Use of Proceeds above and elsewhere in this prospectus supplement is solely for informational purposes and is not an offer to purchase, or the solicitation of an offer to purchase, the 2038 Convertible Senior Notes.

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CAPITALIZATION

The following table sets forth our cash and cash equivalents and our combined capitalization as of June 30, 2011 (i) on an actual basis and (ii) as adjusted to give effect to the sale of the notes (assuming no exercise of the underwriters option to purchase additional notes) and sources and uses of funds described in Use of Proceeds . You should read the information in this table in conjunction with our consolidated financial statements and related notes included in our Annual Report as well as the consolidated financial statements included in our July Current Report, both of which are incorporated herein by reference.

	As of June 30, 2011	
(in thousands)	**Actual (unaudited)**	**As adjusted[1] (unaudited)**
Cash and cash equivalents	$ 709,379	$
Borrowings:		
Short-term borrowings[2]	366,088	
Long-term borrowings	417,152	[3]
Total borrowings	783,240	
Preferred Stock, $1.00 par value per share; 200.0 million shares authorized:		
6% Cumulative Convertible Preferred Stock, Series A; 1.5 million shares issued and outstanding	96,167	
9.75% Non-cumulative Convertible Preferred Stock, Series B; 403,550 shares issued and outstanding	34,446	
Equity		
Common Stock, $1.00 par value per share;		
1,000.0 million shares authorized, 164.9 million shares issued and outstanding	164,893	
Additional paid-in capital[4]	1,595,428	
Accumulated other comprehensive loss (net of tax)	6,616	
Accumulated deficit	(396,330)	
Non-controlling interest	18,973	
Total equity	1,389,580	
Total capitalization	$ 2,303,433	$

(1) Assumes the repurchase of $109.1 million in aggregate principal amount of our 2038 Convertible Senior Notes in a limited number of privately-negotiated transactions. If no such repurchases are consummated, our cash and cash equivalents would increase by $109.1 million.
(2) Short-term borrowings include amounts outstanding under our liquidity facility.
(3) As adjusted long-term borrowings includes the notes offered hereby. For additional accounting information relating to the notes, please see footnote (4) below.

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(4) Amounts shown below reflect the application of ASC 470-20, which requires issuers to separately account for the liability and equity components of convertible debt instruments that may settle in cash (such as the notes and our existing convertible notes). In accordance with ASC 470, we estimate that $300 million aggregate principal amount of the notes will be recognized as follows (in thousands):

Liability component:	
Principal	$
Less: debt discount	$
Net carrying amount	$
Equity component	$

The equity component associated with the notes is reflected in the capitalization table as an increase to additional paid-in capital, as adjusted. Additional paid-in capital, as adjusted, has also been (i) reduced by $ million, representing the cost of the convertible note hedge transactions in respect of the notes (after such cost is partially offset by the proceeds to us of the warrant transactions), and (ii) increased by a net $ million impact for deferred taxes.

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PRICE RANGE OF OUR COMMON STOCK

Our common stock is listed on the New York Stock Exchange under the symbol MF. The following table sets forth, for the fiscal quarters indicated, the high and low sales prices of our common stock, as reported by the New York Stock Exchange.

	High	Low
Fiscal 2010:		
First Quarter	$ 6.68	$ 4.13
Second Quarter	7.84	4.88
Third Quarter	8.22	5.88
Fourth Quarter	8.93	6.10
Fiscal 2011:		
First Quarter	$ 9.94	$ 5.69
Second Quarter	7.74	5.38
Third Quarter	8.64	7.10
Fourth Quarter	9.28	7.75
Fiscal 2011:		
First Quarter	$ 8.90	$ 6.72
Second Quarter (through July 27, 2011)	7.91	6.72

As of July 26, 2011, there were approximately 22 holders of record, which does not reflect the number of beneficial owners of our common stock, such as those holding shares in street name. On July 27, 2011, the last reported sale price for our common stock on the New York Stock Exchange was $7.24 per share.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth information regarding our ratio of earnings to fixed charges for the periods shown. For purposes of determining the below ratios, earnings consist of pre-tax income or loss from continuing operations before adjustment for non-controlling interests in consolidated subsidiaries or income or loss from equity investees and fixed charges. Fixed charges consist of interest expenses, amortization of debt issuance costs, accretion of debt discount and an appropriate portion of rentals representative of the interest factor.

	Three Months Ended	Fiscal Year Ended March 31,				
	June 30, 2011	2011	2010	2009	2008	2007
Ratio of Earnings to Fixed Charges(1)	1.30			1.02	1.00	1.08

(1) Due to our pre-tax loss in the fiscal years ended March 31, 2011 and 2010, the ratio coverage was less than 1:1 in each of these periods. We would have needed to generate additional earnings of $76.3 million in the fiscal year ended March 31, 2011 and $195.4 million in the fiscal year ended March 31, 2010 to achieve a coverage of 1:1 in each of these periods.

DIVIDEND POLICY

We have not paid dividends on our common stock since inception and we do not expect in the foreseeable future to pay any dividends. Longer-term, the payment of any future dividends will be determined by our board of directors in light of conditions then existing, including earnings, financial condition and capital requirements, financing agreements, business conditions, stock price and other factors. In addition, under Delaware law, dividends may only be paid out of surplus or current or prior year s net profits.

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DESCRIPTION OF THE NOTES

We will issue the notes under a senior debt indenture, which we refer to as the base indenture, dated as of February 11, 2011, between us and Deutsche Bank Trust Company Americas, as trustee, which we refer to as the trustee, as supplemented by a supplemental indenture with respect to the notes, which we refer to as the supplemental indenture. We refer to the base indenture and the supplemental indenture, collectively, as the indenture. The terms of the notes include those expressly set forth in the indenture and those made part of the indenture by reference to the Trust Indenture Act of 1939, as amended, which we refer to as the Trust Indenture Act.

You may request a copy of the indenture from us as described under Where You Can Find Additional Information in the accompanying prospectus.

The following description is a summary of the material provisions of the notes and (solely as it applies to the notes) the indenture and does not purport to be complete. This summary is subject to and is qualified by reference to all the provisions of the notes and the indenture, including the definitions of certain terms used in the indenture. We urge you to read these documents because they, and not this description, define your rights as a holder of the notes.

This description of the notes supplements and, to the extent it is inconsistent with, replaces the description of the general provisions of the notes and the base indenture in the accompanying prospectus. For purposes of this description, references to MF Global, we, our and us refer only to MF Global Holdings Ltd. and not to its subsidiaries.

General

The notes:

- will be our general unsecured, senior obligations;
- will initially be limited to an aggregate principal amount of $300,000,000 (or $345,000,000 if the underwriters exercise their option to purchase additional notes in full);
- will bear cash interest from the date of issuance (which is scheduled for August , 2011) at an annual rate of % payable on February 1 and August 1 of each year, beginning on February 1, 2012;
- will not be redeemable prior to maturity;
- will be subject to purchase by us at the option of the holders following a fundamental change (as defined below under Fundamental Change Permits Holders to Require Us to Purchase Notes), at a price equal to 100% of the principal amount of the notes to be purchased, plus accrued and unpaid interest, if any, to, but excluding, the fundamental change purchase date;
- will mature on August 1, 2018, unless earlier converted or repurchased;
- will be issued in denominations of $1,000 and integral multiples of $1,000 in excess thereof; and
- will be represented by one or more registered notes in global form, but in certain limited circumstances may be represented by notes in definitive form. See Book-Entry, Settlement and Clearance.

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Subject to fulfillment of certain conditions and during the periods described below, the notes may be converted at a conversion rate initially equal to shares of common stock per $1,000 principal amount of notes (equivalent to a conversion price of approximately $ per share of common stock). The conversion rate is subject to adjustment if certain events occur. See Conversion Rate Adjustments and Adjustment to Conversion Rate Upon Conversion in Connection with a Make-Whole Fundamental Change.

We will settle the conversions of notes by paying, at our election, an amount of cash or, in certain circumstances, a combination of an amount of cash and a number of shares of our common stock, if any, as described under Conversion Rights Settlement Upon Conversion. You will not be entitled to receive any separate cash payment for interest, if any, accrued and unpaid to the conversion date except under the limited circumstances described below.

The indenture does not limit the amount of debt which may be issued by us or our subsidiaries under the indenture or otherwise. The indenture, as it relates to the notes, will not contain any financial covenants and will not restrict us from paying dividends or issuing or repurchasing our other securities. Other than the restrictions described under Consolidation, Merger and Sale of Assets below and except for the provisions set forth under Fundamental Change Permits Holders to Require Us to Purchase Notes and Adjustment to Conversion Rate Upon Conversion in Connection with a Make-Whole Fundamental Change, the indenture does not contain any covenants or other provisions designed to afford holders of the notes protection in the event we subsequently increase our borrowings substantially or engage in a transaction that substantially increases our debt to equity ratio (each of which would be an example of a highly leveraged transaction) or in the event of a decline in our credit rating for any reason, including as a result of a takeover, recapitalization, highly leveraged transaction or similar restructuring involving us that could adversely affect such holders.

We may, without notice to or the consent of the holders, issue additional notes under the indenture with the same terms and with the same CUSIP number as the notes offered hereby in an unlimited aggregate principal amount; *provided* that such additional notes must be part of the same issue (and part of the same series) as the notes offered hereby for federal income tax purposes. We may also from time to time repurchase notes in open market purchases or negotiated transactions without giving prior notice to holders. Any notes purchased by us will be retired and no longer outstanding under the indenture.

We do not intend to list the notes on a national securities exchange or an interdealer quotation system.

The notes will not have the benefit of a sinking fund.

Except to the extent the context otherwise requires, we use the term notes in this prospectus supplement to refer to each $1,000 principal amount of notes. We use the term common stock in this prospectus supplement to refer to our common stock, par value $1.00 per share. References in this prospectus supplement to a holder or holders of notes that are held through The Depository Trust Company (DTC) are references to owners of beneficial interests in such notes, unless the context otherwise requires. However, we and the trustee will treat the person in whose name the notes are registered (Cede & Co., in the case of notes held through DTC) as the owner of such notes for all purposes.

Payments on the Notes; Paying Agent and Registrar; Transfer and Exchange

We will pay principal of and interest on notes in global form registered in the name of or held by DTC or its nominee in immediately available funds to DTC or its nominee, as the case may be, as the

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registered holder of such global note. We will pay principal of any certificated notes at the office or agency designated by us for that purpose. We will pay interest on any certificated note by check mailed to the address of the registered holder of such note; *provided*, however, that we will pay interest to any holder of more than $2,000,0000 aggregate principal amount of certificated notes by wire transfer in immediately available funds to an account within the United States designated by such holder in a written application delivered by such person to the trustee and the paying agent not later than the record date for the relevant interest payment, which application will remain in effect until such holder notifies the trustee and paying agent, in writing, to the contrary.

We have initially designated the trustee as our paying agent and registrar and its agency in New York, New York as a place where notes may be presented for payment or for registration of transfer. We may, however, change the paying agent or registrar without prior notice to the holders of the notes, and we may act as paying agent or registrar.

A holder of notes in global form may transfer its notes in accordance with the applicable procedures of the depositary and the indenture. A holder of certificated notes may transfer or exchange notes at the office of the registrar in accordance with the indenture. The registrar and the trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents. No service charge will be imposed by us, the trustee or the registrar for any registration of transfer or exchange of notes, but we may require a holder to pay a sum sufficient to cover any transfer tax or other similar governmental charge required by law or permitted by the indenture. We are not required to transfer or exchange any note surrendered for conversion or repurchase upon a fundamental change.

Interest

The notes will bear cash interest at a rate of % per year until maturity. Interest on the notes will accrue from the most recent date on which interest has been paid or duly provided for, or if no interest has been paid or duly provided for, the date of issuance (which is scheduled for August , 2011). Interest will be payable semiannually in arrears on February 1 and August 1 of each year, beginning on February 1, 2012.

Interest will be paid to the person in whose name a note is registered at the close of business on the January 15th or July 15th, 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 composed of twelve 30-day months.

If any interest payment date, the maturity date or any fundamental change purchase date of a note falls on a day that is not a business day, the required payment will be made on the next succeeding business day and no interest on such payment will accrue in respect of the delay. The term business day means any day other than a Saturday, a Sunday or a day on which the Federal Reserve Bank of New York is authorized or required by law or executive order to close or be closed.

Unless the context otherwise requires, all references to interest in this prospectus supplement include additional interest, if any, payable at our election as the sole remedy relating to the failure to comply with our reporting obligations as described under Events of Default. We will not, however, be required to pay any additional amounts on the notes as described under Description of Debt Securities Additional Amounts in the accompanying prospectus.

Ranking

The notes will be the direct unsecured obligations of MF Global Holdings Ltd. and will not be guaranteed by any of our subsidiaries. The notes will rank equal in right of payment with all of our other existing and future unsecured and unsubordinated indebtedness, including the 2038 Convertible Senior Notes, the 2016 Convertible Senior Notes, amounts outstanding under our liquidity facility and the guarantee of MF Global Holdings Ltd. under the secured credit facility. The notes will be structurally subordinated to all existing and future indebtedness (including trade payables) incurred by our subsidiaries, including the secured credit facility, and will be effectively subordinated to any of our existing and future secured indebtedness, to the extent of the value of our assets that secure such indebtedness. The notes will also be structurally subordinated to any of our existing and future indebtedness that may be guaranteed by our subsidiaries, to the extent of any such guarantees, including the guarantees of our finance subsidiary under the liquidity facility and the secured credit facility.

We currently conduct a substantial majority of our operations through our subsidiaries and our subsidiaries generate a substantial majority of our operating income and cash flow. As a result, our cash flow and our ability to service debt, including our ability to pay the interest on and principal of the notes when due, are dependent to a significant extent on interest payments, cash dividends and distributions and other transfers of cash from our subsidiaries. Any payment of interest, dividends, distributions, loans or advances by our foreign subsidiaries to us could be subject to taxation or other restrictions on dividends or repatriation of earnings under applicable local law, monetary transfer restrictions and foreign currency exchange regulations in the jurisdiction in which our foreign subsidiaries operate. In addition, regulatory capital requirements may prevent certain of our subsidiaries from making transfers of cash to us.

In the event of a bankruptcy, liquidation or dissolution of any of our subsidiaries, the creditors of such subsidiary will be paid first, after which the subsidiary may not have sufficient assets remaining to make any payments to us as a shareholder or otherwise so that we can meet our obligations under the notes. As of June 30, 2011, our subsidiaries had outstanding indebtedness to third parties of $24.1 million, excluding trade payables of our subsidiaries, which include, for examples, securities sold under repurchase agreements, securities sold, not yet purchased, obligations to return securities borrowed and securities loaned (collectively referred to herein as trade payables) and excluding the guarantees of our subsidiaries under the liquidity facility and the secured credit facility.

In addition, holders of the notes will participate ratably with all holders of our unsecured senior indebtedness, including the 2038 Convertible Senior Notes and the 2016 Convertible Senior Notes, and potentially with all of our other general creditors, based upon the respective amounts owed to each holder or creditor, in our remaining assets. Other than restrictions described under Consolidation, Merger and Sale of Assets below and except for the provisions set forth under Fundamental Change Permits Holders to Require Us to Purchase Notes and Adjustment to Conversion Rate Upon Conversion in Connection with a Make-Whole Fundamental Change, the indenture does not contain any covenants or other provisions designed to afford holders of the notes protection in the event of a highly leveraged transaction involving us or in the event of a decline in our credit rating as the result of a takeover, recapitalization, highly leveraged transaction or similar restructuring involving us that could adversely affect such holders.

As of June 30, 2011, after giving effect to the issuance of the notes offered hereby and the use of the proceeds therefrom, our total consolidated indebtedness would have been $ million (excluding trade payables).

Conversion Rights

General

Prior to the close of business on the business day immediately preceding February 1, 2018, the notes will be convertible only upon satisfaction of one or more of the conditions described under the

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headings Conversion Upon Satisfaction of Sale Price Condition, Conversion Upon Satisfaction of Trading Price Condition, and Conversion Upon Specified Corporate Events. On or after February 1, 2018, holders may convert each of their notes at the applicable conversion rate at any time prior to the close of business on the second scheduled trading day immediately preceding the maturity date irrespective of the foregoing conditions.

The conversion rate will initially equal shares of common stock per $1,000 principal amount of notes (equivalent to a conversion price of approximately $ per share of common stock). Upon conversion of a note, we will satisfy our conversion by paying, at our election, an amount of cash or a combination of an amount of cash and a number of shares of our common stock, if any, based on a daily conversion value (as defined below under Settlement Upon Conversion) calculated on a proportionate basis for each trading day in a 60 trading day cash settlement averaging period (as defined below under Settlement Upon Conversion). The trustee will initially act as the conversion agent.

The conversion rate and the equivalent conversion price in effect at any given time are referred to as the applicable conversion rate and the applicable conversion price, respectively, and will be subject to adjustment as described below. A holder may convert less than the entire principal amount of its notes so long as the principal amount that remains outstanding of each note that is not converted in full equals $1,000 or an integral multiple of $1,000 in excess thereof.

If a holder of notes has submitted notes for purchase upon a fundamental change, the holder may convert those notes only if that holder first withdraws its purchase notice.

Upon conversion