Catalent, Inc.
Form 424B3
June 08, 2016
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Filed Pursuant to Rule 424(b)(3)
Registration No. 333-211872

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount To Be Registered	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock, par value $0.01 per share	10,000,000	$24.23(1)	$ 242,300,000	$ 24,399.61

(1) Estimated solely for purposes of calculating the registration fee. In accordance with Rule 457(c) and Rule 457(r) of the Securities Act of 1933, as amended, the prices shown are based on the average of the high and low prices reported for Catalent, Inc. s common stock on the New York Stock Exchange on June 7, 2016.

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Prospectus Supplement

(To Prospectus dated June 6, 2016)

10,000,000 Shares

Catalent, Inc.

Common Stock

The selling stockholders named in this prospectus supplement are offering 10,000,000 shares of common stock of Catalent, Inc. We will not receive any proceeds from the sale of our common stock by the selling stockholders.

Our common stock is listed on the New York Stock Exchange, or NYSE, under the symbol CTLT . On June 6, 2016, the closing sales price of our common stock as reported on the NYSE was $26.22 per share.

See Risk Factors beginning on page S-7 of this prospectus supplement and in our other filings with the Securities and Exchange Commission incorporated by reference in this prospectus supplement or the accompanying prospectus to read about factors you should consider before buying shares of our common stock.

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

	Per Share	Total
Public offering price	$ 24.85	$ 248,500,000
Underwriting discounts and commissions	$ 0.34	$ 3,400,000
Proceeds, before expenses, to the selling stockholders[1] .	$ 24.51	$ 245,100,000

(1) We have agreed to reimburse the underwriter for certain FINRA-related expenses. See Underwriting.

The underwriter expects to deliver the shares against payment in New York, New York on or about June 9, 2016.

Goldman, Sachs & Co.

Prospectus supplement dated June 6 , 2016.

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Prospectus Supplement

Prospectus

Neither we, the selling stockholders nor the underwriter have authorized anyone to provide you with information different from that contained in or incorporated by reference in this prospectus supplement, the accompanying prospectus or any free writing prospectus prepared by us or on our behalf. Neither we, the

selling stockholders nor the underwriter take any responsibility for, or can provide any assurance as to the reliability of, any information other than the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or any free writing prospectus prepared by us or on our behalf. We, the selling stockholders and the underwriter are offering to sell, and seeking offers to buy, shares of our common stock only in jurisdictions where offers and sales are permitted.

You should assume that the information appearing or incorporated by reference in this prospectus supplement, the accompanying prospectus or any free writing prospectus prepared by us is accurate only as of their respective dates or on the date or dates which are specified in such documents, and that any information in documents that we have incorporated by reference is accurate only as of the date of such document incorporated by reference. Our business, financial condition, liquidity, results of operations and prospects may have changed since those dates.

This document is in two parts. The first part is this prospectus supplement, which describes the terms of this offering of common stock and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference into this prospectus supplement and the accompanying prospectus. The second part, the accompanying prospectus dated June 6, 2016, including the documents incorporated by reference therein, provides more general information. Generally, when we refer to this prospectus, we are referring to both parts of this document combined. To the extent there is a conflict between the information contained in this prospectus supplement, on the one hand, and the information contained in the accompanying prospectus or in any document incorporated by reference that was filed with the Securities and Exchange Commission, or SEC, before the date of this prospectus supplement, on the other hand, you should rely on the information in this prospectus supplement. If any statement in one of these documents is inconsistent with a

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statement in another document having a later date (for example, a document incorporated by reference in this prospectus supplement) the statement in the document having the later date modifies or supersedes the earlier statement.

Except where the context requires otherwise, references in this prospectus supplement to Catalent, the Company, we, us, and our refer to Catalent, Inc., together with its consolidated subsidiaries. In this prospectus supplement, when we refer to our fiscal years, we say fiscal and the year number, as in fiscal 2015, which refers to our fiscal year ended June 30, 2015.

We refer in this prospectus supplement to (i) investment funds associated with or designated by The Blackstone Group L.P. as Blackstone or Sponsor and (ii) our Annual Report on Form 10-K for the fiscal year ended June 30, 2015 as amended by Amendment No. 1 to such Annual Report on Form 10-K/A as our 2015 Form 10-K.

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SUMMARY

This summary highlights selected information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus. It does not contain all of the information that you should consider before investing in shares of our common stock. You should carefully read this entire prospectus supplement and the accompanying prospectus, including the factors described or referred to under the heading Risk Factors herein and in our 2015 Form 10-K, and the financial statements and related notes and other information incorporated by reference in this prospectus supplement and the accompanying prospectus, before making an investment decision.

Our Company

We are the leading global provider of advanced delivery technologies and development solutions for drugs, biologics and consumer health products. With over 80 years serving the industry, we have proven expertise in bringing more customer products to market faster, enhancing product performance and ensuring reliable clinical and commercial product supply. We employ approximately 8,900 people, including over 1,000 scientists and technicians, at 31 facilities across five continents and in fiscal 2015 generated more than $1.8 billion in annual revenue.

For a description of our business, financial condition, results of operations and other important information regarding us, we refer you to our filings with the SEC incorporated by reference in this prospectus supplement and the accompanying prospectus. For instructions on how to find copies of these documents, see Where You Can Find More Information.

Catalent, Inc. is a Delaware corporation. Our principal executive offices are located at 14 Schoolhouse Road, Somerset, New Jersey 08873, and our telephone number is (732) 537-6200. We maintain a website at www.catalent.com. The information contained on or accessible through our website neither constitutes part of this prospectus supplement nor is incorporated by reference herein.

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The Offering

The following summary of the offering contains basic information about the offering and our common stock and is not intended to be complete. It does not contain all the information that may be important to you. For a more complete understanding of our common stock, please refer to the section of the accompanying prospectus entitled Description of Common Stock.

Common stock offered by the selling stockholders	10,000,000 shares.
Common stock outstanding	124,712,240 shares as of June 2, 2016.
Use of proceeds	We will not receive any of the proceeds from the sale of shares of common stock by the selling stockholders.
Dividend policy	We have no current plan to pay dividends on our common stock. Any decision to declare and pay dividends in the future will be made at the sole discretion of our board of directors and will depend on, among other things, our results of operations, cash requirements, financial condition, contractual restrictions and other factors that our board of directors may deem relevant.
Risk factors	See Risk Factors for a discussion of risks you should carefully consider before deciding to invest in our common stock.
Listing	Our common stock is listed on the NYSE under the symbol CTLT .

The number of shares of common stock that will be outstanding after this offering is based on the number of shares of our common stock outstanding as of June 2, 2016. The number of issued shares of our common stock as of June 2, 2016 excludes:

- 4,407,073 stock options, with a weighted average exercise price of $17.26 per share and 1,192,657 restricted stock units outstanding under our 2007 Stock Incentive Plan and our 2014 Omnibus Incentive Plan; and
- 4,546,582 shares of common stock that may be granted under our 2014 Omnibus Incentive Plan.

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Summary Financial Data

We derived the summary statement of operations data and the summary statement of cash flows data for the fiscal years ended June 30, 2015, 2014 and 2013 and the summary balance sheet data as of June 30, 2015 and 2014 from our audited consolidated financial statements incorporated by reference in this prospectus supplement and the accompanying prospectus. We derived the summary statement of operations data, the summary statement of cash flows data and the summary operational data for the nine months ended March 31, 2016 and 2015 and the summary balance sheet data as of March 31, 2016 from our unaudited consolidated financial statements incorporated by reference in this prospectus supplement and the accompanying prospectus. Our historical results are not necessarily indicative of the results expected for any future period.

You should read the summary historical financial data below, together with our audited and unaudited consolidated financial statements and related notes thereto incorporated by reference in this prospectus supplement and the accompanying prospectus, as well as Management s Discussion and Analysis of Financial Condition and Results of Operations in our 2015 Form 10-K and our Quarterly Report on Form 10-Q for the period ended March 31, 2016 incorporated by reference herein.

	(Unaudited) Nine Months Ended March 31,		Fiscal Year Ended June 30,		
	2016	2015	2015	2014	2013
	(dollars in millions, except per share data)				
Statement of Operations Data:					
Net revenue	$ 1,315.9	$ 1,320.7	$ 1,830.8	$ 1,827.7	$ 1,800.3
Cost of sales	916.1	887.1	1,215.5	1,229.1	1,231.7
Gross margin	399.8	433.6	615.3	598.6	568.6
Selling, general and administrative expense	268.4	250.4	337.3	334.8	340.6
Impairment charges and (gain)/loss on sale of assets	0.8	3.8	4.7	3.2	5.2
Restructuring and other	3.4	8.7	13.4	19.7	18.4
Operating earnings	127.2	170.7	259.9	240.9	204.4
Interest expense, net	66.7	82.4	105.0	163.1	203.2
Other (income)/expense, net	(7.1)	38.5	42.4	10.4	25.1
Earnings/(loss) from continuing operations before income taxes	67.6	49.8	112.5	67.4	(23.9)
Income tax expense/(benefit)	18.3	(6.9)	(97.7)	49.5	27.0
Earnings/(loss) from continuing operations	49.3	56.7	210.2	17.9	(50.9)
Earnings/(loss) from discontinued operations, net of tax		0.2	0.1	(2.7)	1.2
Net earnings/(loss)	49.3	56.9	210.3	15.2	(49.7)
	(0.3)	(1.6)	(1.9)	(1.0)	(0.1)

Less: Net earnings/(loss) attributable to noncontrolling interest, net of tax					
Net earnings/(loss) attributable to Catalent	49.6	58.5	212.2	16.2	(49.6)
Basic earnings per share attributable to Catalent common shareholders:					
Earnings/(loss) from continuing operations	0.40	0.50	1.77	0.25	(0.68)
Net earnings/(loss)	0.40	0.50	1.77	0.22	(0.66)
Diluted earnings per share attributable to Catalent common shareholders:					
Earnings/(loss) from continuing operations	0.39	0.49	1.75	0.25	(0.68)
Net earnings/(loss)	0.39	0.49	1.75	0.21	(0.66)

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	(Unaudited) Nine Months Ended March 31, 2016	2015	Fiscal Year Ended June 30, 2015	2014	2013
	(dollars in millions, except per share data)				
Balance Sheet Data (at period end) (1):					
Cash and cash equivalents	$ 133.9		$ 151.3	$ 74.4	
Total assets	3,057.7		3,145.4	3,090.2	
Total debt, including current portion of long-term debt and other short-term borrowing	1,870.8		1,887.9	2,710.6	
Total liabilities	2,454.8		2,505.6	3,457.5	
Summary Statement of Cash Flows Data:					
Net cash provided by (used in) continuing operations:					
Operating activities	$ 121.4	$ 94.7	$ 171.7	$ 180.2	$ 139.1
Investing activities	(107.8)	(240.3)	(271.8)	(175.2)	(122.1)
Financing activities	(27.1)	209.0	196.5	(42.1)	(49.3)
Operational and Other Data:					
Adjusted EBITDA(2)	$ 259.4	$ 306.8	$ 443.1	$ 432.3	$ 412.7
Capital expenditures	107.8	108.7	141.0	122.4	122.5

(1) Total assets, total debt and total liabilities for fiscal years ended June 30, 2015, 2014 and 2013 do not reflect the adoption of *Accounting Standards Update No 2015-03*, *Simplifying the Presentation of Debt Issuance Costs*, which was adopted as of March 31, 2016. When we retrospectively adopt the standard, we expect to reclassify approximately $7 million and $17 million of total assets to decrease total debt and total liabilities for the years ended June 30, 2015 and June 30, 2014, respectively.

(2) Management measures operating performance based on consolidated earnings from continuing operations before interest expense, expense/(benefit) for income taxes and depreciation and amortization, which is further adjusted for the income or loss attributable to noncontrolling interests (EBITDA from continuing operations). EBITDA from continuing operations is not defined under U.S. generally accepted accounting principles (U.S. GAAP) and is not a measure of operating income, operating performance or liquidity presented in accordance with U.S. GAAP and is subject to important limitations.

We believe that the presentation of EBITDA from continuing operations enhances an investor s understanding of our financial performance. We believe this measure is a useful financial metric to assess our operating performance from period to period by excluding certain items that we believe are not representative of our core business and use this measure for business planning purposes. In addition, given the significant investments that we have made in the past in property, plant and equipment, depreciation and amortization expenses represent a meaningful portion of our cost structure. We believe that disclosing EBITDA from continuing operations provides investors with a useful tool for assessing the comparability between periods of our ability to generate cash from operations sufficient to pay taxes, to service debt and to undertake capital expenditures because it eliminates depreciation and amortization expense.

In measuring our operating performance, and in calculating compliance with covenants in our amended and restated credit agreement dated May 20, 2014 (as amended, the Credit Agreement), we also use from time to time Adjusted EBITDA, another measure not presented in accordance with U.S. GAAP and subject to important limitations. We define Adjusted EBITDA as EBITDA from continuing operations with certain other adjustments noted in the table below. We believe that the presentation of Adjusted EBITDA is useful to investors because it is frequently used by securities analysts, investors and other interested parties in evaluating the operating performance of companies in industries similar to ours and because it is a compliance measure used in our Credit Agreement. In addition, we use a further adjusted version of Adjusted EBITDA to evaluate our management s performance for purposes of determining their compensation under our incentive plans.

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Because not all companies use identical calculations, our presentation of EBITDA from continuing operations and Adjusted EBITDA may not be comparable to other similarly titled measures of other companies. EBITDA from continuing operations and Adjusted EBITDA have important limitations as analytical tools, and investors should not consider them in isolation or as substitutes for analysis of our results as reported under U.S. GAAP. For example, EBITDA from continuing operations and Adjusted EBITDA:

- exclude certain tax payments that may represent a reduction in cash available to us;
- do not reflect any cash capital expenditure requirement for the assets being depreciated and amortized that may have to be replaced in the future;
- do not reflect changes in, or cash requirements for, our working capital needs; and
- do not reflect the significant interest expense, or the cash requirements, necessary to service our debt.

In calculating Adjusted EBITDA, we add back certain non-cash, non-recurring and other items that are included in EBITDA from continuing operations and consolidated net income, as required in the Credit Agreement. Adjusted EBITDA, among other things:

- does not include non-cash stock-based employee compensation expense and certain other non-cash charges;
- does not include cash and non-cash restructuring, severance and relocation costs incurred to realize future cost savings and enhance our operations;
- adds back noncontrolling interest expense, which represents the minority investors ownership of certain of our consolidated subsidiaries and is, therefore not available to us; and
- includes estimated cost savings that have not yet been fully reflected in our results.

A reconciliation of earnings/(loss) from continuing operations, the most directly comparable U.S. GAAP measure, to EBITDA from continuing operations and Adjusted EBITDA is as follows:

	(Unaudited) Nine Months Ended March 31,		**Fiscal Year Ended June 30,**		
	2016	**2015**	**2015**	**2014**	**2013**
	(in millions)				

Earnings/(loss) from continuing operations	$ 49.3	$ 56.7	$ 210.2	$ 17.9	$ (50.9)
Interest expense, net	66.7	82.4	105.0	163.1	203.2
Depreciation and amortization	105.5	104.6	140.8	142.9	152.2
Income tax (benefit)/expense[(a)]	18.3	(6.9)	(97.7)	49.5	27.0
Noncontrolling interest	0.3	1.6	1.9	1.0	0.1
EBITDA from continuing operations	240.1	238.4	360.2	374.4	331.6
Equity compensation	8.5	6.4	9.0	4.5	2.8
Impairment charges and (gain)/loss on sale of assets	0.8	3.8	4.7	3.2	5.2
Financing related expenses[(b)]		21.8	21.8	11.0	16.9
U.S. GAAP Restructuring	3.4	8.7	13.4	19.7	18.4
Acquisition, integration and other special items	12.4	10.1	13.8	9.8	15.5
Foreign exchange loss/(gain) (included in other, net)[(c)]	(5.8)	(4.2)	(2.7)	(3.5)	5.7
Other adjustments[(d)]		21.8	22.9	0.3	4.2
Sponsor advisory fee[(e)]				12.9	12.4
Adjusted EBITDA	$ 259.4	$ 306.8	$ 443.1	$ 432.3	$ 412.7

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(a) Represents the amount of income tax-related expense/(benefit) recorded within our net earnings/(loss) that may not result in cash payment or receipt.

(b) Reflects the expenses associated with financing activities undertaken by us during the period. Financing-related expenses for the nine months ended Marc