

Alternative Asset Management Acquisition Corp.
Form S-1/A
July 27, 2007

As filed with the Securities and Exchange Commission on July 27, 2007

Registration No. 333-141593

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**Amendment No. 5
to
FORM S-1**

**REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

Alternative Asset Management Acquisition Corp.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

6770
(Primary Standard Industrial
Classification Code Number)
590 Madison Avenue, 35th Floor
New York, New York 10022
(212) 409-2434

20-8450938
(I.R.S. Employer
Identification Number)

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

MARK D. KLEIN
Chief Executive Officer
Alternative Asset Management Acquisition Corp.
590 Madison Avenue, 35th Floor
New York, New York 10022
(212) 409-2434

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

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

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box.

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

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

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

CALCULATION OF REGISTRATION FEE

Title of each Class of Security being registered	Amount being Registered	Proposed Maximum Offering Price Per Security(1)	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee
Units, each consisting of one share of Common Stock, \$.0001 par value, and one Warrant(2)	34,500,000 Units	\$10.00	\$345,000,000	\$10,592(3)
Shares of Common Stock included as part of the Units(2)	34,500,000 Shares			(4)
Warrants included as part of the Units(2)	34,500,000 Warrants			(4)
Total			\$345,000,000	\$10,592

(1) Estimated solely for the purpose of calculating the registration fee.

(2) Includes 4,500,000 Units, consisting of 4,500,000 shares of Common Stock and 4,500,000 Warrants, which may be issued on exercise of a 30-day option granted to the underwriters to cover over-allotments, if any.

(3) The Registrant previously paid \$7,061 of such amount, with the balance of \$3,531 being paid herewith.

(4) No fee pursuant to Rule 457(g).

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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

SUBJECT TO COMPLETION, DATED JULY 27, 2007

PROSPECTUS

\$300,000,000
Alternative Asset Management Acquisition Corp.
30,000,000 Units

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Alternative Asset Management Acquisition Corp. is a newly organized blank check company formed for the purpose of acquiring through a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination, one or more businesses or assets, which we refer to as our initial business combination in the alternative asset management sector or a related business. To date, our efforts have been limited to organizational activities as well as activities related to this offering. We do not have any specific initial business combination under consideration. We have not, nor has anyone on our behalf, contacted any prospective target business or had any substantive discussions, formal or otherwise, with respect to such a transaction.

This is an initial public offering of our securities. Each unit consists of one share of our common stock and one warrant. We are offering 30,000,000 units. The public offering price will be \$10.00 per unit. Each warrant entitles the holder to purchase one share of our common stock at a price of \$7.50. The warrants will become exercisable on the later of the completion of our initial business combination and fifteen months from the date of this prospectus, provided in each case that we have an effective registration statement covering the shares of common stock issuable upon exercise of the warrants and a current prospectus relating to them is available. The warrants will expire five years from the date of this prospectus, unless earlier redeemed.

We have also granted the underwriters a 30-day option to purchase up to an additional 4,500,000 units to cover over-allotments, if any.

In transactions occurring in February, March and July of 2007, Hanover Overseas Limited, STC Investment Holdings LLC, Solar Capital, LLC, Jakal Investments LLC, Mark Klein, David Hawkins, Steven Shenfeld, Bradford Peck and Frederick Kraegel, whom we refer to as initial stockholders, purchased 8,625,000 shares of our common stock (after giving effect to our stock dividends) for an aggregate purchase price of \$25,000. This includes an aggregate of 1,125,000 shares of common stock subject to forfeiture by our initial stockholders to the extent that the underwriters' over-allotment option is not exercised in full so that our initial stockholders will collectively own 20% of our issued and outstanding shares after this offering (assuming none of them purchase units in this offering). We refer to these outstanding shares of common stock as the founders' common stock throughout this prospectus. Each of the initial stockholders has agreed to (i) waive any right to receive a liquidation distribution with respect to the founders' common stock in the event we fail to consummate an initial business combination and (ii) vote the founders' common stock in accordance with the majority of the shares of common stock voted by our public stockholders in connection with the vote on any initial business combination. The founders' common stock is subject to certain transfer restrictions described in more detail below.

Hanover Overseas Limited, STC Investment Holdings LLC, Solar Capital, LLC, Jakal Investments LLC, Mark Klein and Steven Shenfeld have agreed to purchase an aggregate of 4,625,000 warrants at a price of \$1.00 per warrant (\$4.625 million in the aggregate) in a private placement that will occur simultaneously with the consummation of this offering. We refer to the purchasers of these securities as the sponsors, and we refer to these warrants as the sponsors' warrants throughout this prospectus. The proceeds from the sale of the sponsors' warrants in the private placement will be deposited into a trust account and subject to a trust agreement, described below, and will be part of the funds distributed to our public stockholders in the event we are unable to complete an initial business combination. The sponsors' warrants are identical to the warrants included in the units being sold in this offering, except that (i) the sponsors' warrants are non-redeemable so long as they are held by any of the sponsors or their permitted transferees and (ii) will not be exercisable while they are subject to certain transfer restrictions described in more detail below.

In addition, the Hanover Group or one of its affiliates, STC Investment Holdings LLC and Solar Capital, LLC, have entered into agreements with Citigroup Global Markets Inc., pursuant to which they will each place limit orders for up to \$10.0 million of our common stock, or \$30.0 million in the aggregate, commencing on the later of ten business days after we file our Current Report on Form 8-K announcing our execution of a definitive agreement for an initial business combination and 60 days after termination of the restricted period in connection with this offering under Regulation M of the Exchange Act and ending on the business day immediately preceding the record date for the meeting of stockholders at which such initial business combination is to be approved (the Buyback Period). These limit orders will require the stockholders to purchase any of our shares of common stock offered for sale (and not purchased by another investor) at or below a price equal to the per share amount held in our trust account as reported in such Form 8-K, until the earlier of the expiration of the Buyback Period or until such purchases reach \$30.0 million in total. The purchase of such shares will be made by Citigroup Global Markets Inc. or another broker dealer mutually agreed upon by Citigroup Global Markets Inc. and these stockholders. It is intended that such purchases will comply with Rule 10b-18 under the Exchange Act and the broker's purchase obligation is otherwise subject to applicable law. Each of these stockholders may vote these shares in any way they choose at the stockholders meeting to approve our initial business combination. As a result, the Hanover Group, STC Investment Holdings LLC and Solar Capital, LLC may be able to influence the outcome of our initial business combination. However, these stockholders will not be permitted to exercise conversion rights in the event they vote against an initial business combination that is approved; provided that these stockholders will participate in any liquidation distributions with respect to any shares of common stock purchased by them following consummation of the offering, including shares purchased pursuant to such limit orders, in the event we fail to complete an initial business combination. In addition, these stockholders have agreed that they will not sell or transfer any shares of common stock purchased by them pursuant to these agreements until one year after we have completed an initial business combination.

Currently, there is no public market for our units, common stock or warrants. The units have been approved for listing on the American Stock Exchange under the symbol AMV.U upon consummation of this offering. The common stock and warrants comprising the units will begin separate trading five business days following the earlier to occur of the expiration of the underwriters' over-allotment option or its exercise in full, subject to our filing a Current Report on Form 8-K with the Securities and Exchange Commission containing an audited balance sheet

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reflecting our receipt of the gross proceeds of this offering and issuing a press release announcing when such separate trading will begin. Once the securities comprising the units begin separate trading, the common stock and warrants will be traded on the American Stock Exchange under the symbols AMV and AMV.WS, respectively. We cannot assure you, however, that our securities will continue to be listed on the American Stock Exchange.

Investing in our securities involves a high degree of risk. See Risk Factors beginning on page 18 for a discussion of information that should be considered in connection with an investment in our securities.

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

	Per Unit	Total Proceeds
Public offering price	\$10.00	\$300,000,000
Underwriting discounts and commissions(1)	\$ 0.70	\$ 21,000,000
Proceeds to us (before expenses)	\$ 9.30	\$279,000,000

- (1) Includes \$0.325 per unit or \$9.75 million in the aggregate (approximately \$11.2 million if the underwriters over-allotment option is exercised in full), payable to the underwriters for deferred underwriting discounts and commissions to be placed in the trust account described below. Such funds will be released to the underwriters only on completion of an initial business combination, as described in this prospectus.

The underwriters are offering the units on a firm commitment basis. The underwriters expect to deliver the units to purchasers on or about _____, 2007. Of the proceeds we receive from this offering and the sale of the sponsors warrants described in this prospectus, approximately \$9.76 per unit, or approximately \$292.75 million in the aggregate (approximately \$9.74 per unit, or approximately \$336.1 million in the aggregate if the underwriters over-allotment option is exercised in full), will be deposited into a trust account, at _____, with Continental Stock Transfer & Trust Company as trustee. These funds will not be released to us until the earlier of the completion of our initial business combination or our liquidation (which may not occur until twenty-four months from the date of this prospectus) as described in this prospectus.

Citi

Lazard Capital Markets

_____, 2007

You should rely only on the information contained in this prospectus. We have not, and the underwriters have not, authorized anyone to provide you with different information. We are not, and the underwriters are not, making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this prospectus is accurate as of any date other than the date on the front of this prospectus. The information may be required to be updated at a later date.

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Until _____, 2007 (25 days after the date of this prospectus), all dealers that buy, sell or trade our securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

SUMMARY

This summary only highlights the more detailed information appearing elsewhere in this prospectus. As this is a summary, it does not contain all of the information that you should consider in making an investment decision. You should read this entire prospectus carefully, including the information under Risk Factors and our financial statements and the related notes included elsewhere in this prospectus, before investing. References in this prospectus to we, us or our company refer to Alternative Asset Management Acquisition Corp. References in this prospectus to public stockholders refers to those persons that purchase the securities offered by this prospectus and any of our initial stockholders (as defined below) who purchase these securities either in this offering or afterwards (including pursuant to the limit orders referenced below), provided that our initial stockholders status as public stockholders shall only exist with respect to those securities so purchased. References in this prospectus to our management team refer to our officers and directors. Unless we tell you otherwise, the information in this prospectus assumes that the underwriters will not exercise their over-allotment option. Throughout this prospectus, we sometimes refer to the Hanover Group Limited, together with its subsidiaries, as the Hanover Group, and we sometimes refer to Stone Tower Capital LLC, together with its affiliates, including STC Investment Holdings LLC, one of our initial stockholders, as Stone Tower. Stone Tower® and Stone Tower Capital® are registered in the US Patent and Trademark Office. Except as otherwise specified, all information in this prospectus and all per share information has been adjusted to reflect a stock dividend of 0.226667 shares of common stock for each outstanding share of common stock effected on July 5, 2007 and a stock dividend of 0.5 shares of common stock for each outstanding share of common stock effective on July 27, 2007.

We are a blank check company formed under the laws of the State of Delaware on January 26, 2007. We were formed to acquire through a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination one or more businesses or assets, which we refer to throughout this prospectus as our initial business combination, in the alternative asset management sector or a related business, meaning a business providing services or products with respect to alternative asset management businesses or to investors in such businesses. Such related businesses could include back-office administrative services, information technology service providers and advisory and administrative service providers to high-net worth families and investors, third-party marketers and family offices. Businesses in the alternative asset management sector are commonly referred to by such categories as hedge funds, private equity funds or real estate funds, among others. Alternative asset management portfolios typically include a significant performance fee component and measure success in terms of absolute returns rather than comparisons to benchmark indices. To date, our efforts have been limited to organizational activities as well as activities related to this offering. We do not have any specific initial business combination under consideration. We have not, nor has anyone on our behalf, contacted or been contacted by any prospective target business or had any substantive discussions, formal or otherwise, with respect to such a transaction. Additionally, we have not engaged or retained any agent or other representative to identify or locate any suitable acquisition candidate, to conduct any research or take any measures, directly or indirectly, to locate or contact a target business.

We will seek to acquire a business or businesses whose operations can be improved and enhanced with our capital resources and where there are substantial opportunities for both organic growth and growth through acquisitions. We intend to initially focus our search on businesses in the United States, but will also explore opportunities internationally.

We will seek to capitalize on the significant alternative asset management and private equity investing experience and contacts of Stone Tower Capital LLC and the Hanover Group, our primary sponsors.

Stone Tower was founded in 2001 as an asset management firm focused on credit and credit-related assets. Through its affiliates, Stone Tower managed at June 30, 2007 approximately \$14.8 billion in leveraged finance-related assets across several structured finance and hedge fund vehicles. At June 30, 2007, Stone Tower had 61 employees including 26 investment professionals. Stone Tower's objective is to generate

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stable and consistent returns for its investors which include domestic and international banking institutions, insurance companies, pension funds, institutional money management firms, family offices and high net-worth individuals.

The Hanover Group provides a broad range of financial solutions to business in New Zealand, Australia, Europe and North America. The Hanover Group has expanded through organic growth and acquisition to become one of New Zealand's largest and leading privately owned financial services companies. Through its subsidiaries, the Hanover Group provides fixed income investments, finance, asset management, public funds management

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product, and in-house private equity both in New Zealand and internationally. The predominant focus of the Hanover Group's portfolio is property development and property related transactions (including, residential development, subdivision, land banks, commercial and tourism related developments as well as agricultural conversions, and residential, commercial and mixed-use property investment). The Hanover Group has approximately \$870 million of investor funds under management, approximately \$975 million of consolidated assets, and shareholder equity in excess \$100 million and services over 40,000 retail investors. The Hanover Group is headquartered in New Zealand, and has offices in New Zealand, Australia, United Kingdom and North America.

While we may seek to acquire more than one business or asset, which we refer to as our target business or target businesses, our initial business combination must involve one or more target businesses having a fair market value, individually or collectively, equal to at least 80% of the balance in the trust account (excluding deferred underwriting discounts and commissions of \$9.75 million, or approximately \$11.2 million if the underwriters' over-allotment option is exercised in full). The future role of members of our management team, if any, in the target business or businesses cannot presently be stated with any certainty. We will only consummate a business combination in which we become the controlling shareholder of the target. The key factor that we will rely on in determining controlling shareholder status would be our acquisition of at least 51% of the voting equity interests of the target company. We will not consider any transaction that does not meet such criteria.

While it is possible that one or more of our officers or directors will remain associated in some capacity with us following our initial business combination, it is unlikely that any of them will devote their full efforts to our affairs subsequent to our initial business combination. Moreover, we cannot assure you that members of our management team will have significant experience or knowledge relating to the operations of the particular target business or businesses.

We have entered into a business opportunity right of first review agreement with Hanover Group US, LLC, Mark D. Klein, our chief executive officer, president and a director and Paul D. Lapping, our chief financial officer, treasurer and secretary, that provides that from the date of this prospectus until the earlier of the consummation of our initial business combination or our liquidation in the event we do not consummate an initial business combination, we will have a right of first review with respect to business combination opportunities of Hanover Group US, LLC, Messrs. Klein and Lapping, and companies or other entities which they manage or control, in the alternative asset management sector or a related business with an enterprise value of \$155 million or more. Hanover Group US, LLC and Messrs. Klein and Lapping will, and will cause such companies or entities under their management or control to, first offer any such business opportunity to us (subject to any fiduciary obligations they may have) and they will not, and will cause each other company or entity under their management or control not to, pursue such business opportunity unless and until a majority of our disinterested directors have determined for any reason that we will not pursue such opportunity.

If we are unable to consummate an initial business combination within 24 months from the date of this prospectus, we will liquidate and distribute the proceeds held in the trust account to our public stockholders in an amount we expect to be approximately \$9.76 per share of common stock held by them (or approximately \$9.74 per share if the underwriters exercise their over-allotment option in full), without taking into account any interest earned on such funds.

Private Placements and Future Purchases of Common Stock

On February 25, 2007, we issued 8,625,000 shares of our common stock to Jakal Investments LLC, the family trust of Paul Lapping, for \$25,000 in cash, at a purchase price of approximately \$0.003 per share (after giving effect to our stock dividends that occurred on July 5, 2007 and on July 27, 2007). This includes an aggregate of 1,125,000 shares of common stock subject to forfeiture by our initial stockholders to the

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extent that the underwriters' over-allotment option is not exercised in full so that our initial stockholders will collectively own 20% of our issued and outstanding shares after this offering (assuming none of them purchase units in this offering). Subsequent to the purchase of these shares, Jakal Investments LLC transferred at cost an aggregate of 7,805,625 of these shares to Hanover Overseas Limited, an indirect subsidiary of the Hanover Group, whose primary purpose is to be involved with the organization and initial public offering of a blank check company, STC Investment Holdings LLC, Solar Capital, LLC, David Hawkins, Steven Shenfeld, Bradford Peck and Frederick Kraegel. On July 6, 2007, Hanover Overseas Limited transferred at cost an aggregate of 808,593 shares of common stock to Mark Klein (after giving effect to our stock dividends that occurred on July 5, 2007 and July 27, 2007). Michael Levitt, who is our Chairman, and Jonathan

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Berger, a director, are each affiliated with STC Investment Holdings LLC and Michael Gross, a director, is affiliated with Solar Capital, LLC. Each of the initial stockholders has agreed to (i) waive any right to receive a liquidation distribution with respect to the founders' common stock in the event we fail to consummate an initial business combination and (ii) vote the founders' common stock in accordance with the majority of the shares of common stock voted by our public stockholders in connection with the vote on any initial business combination. The founders' common stock is subject to certain transfer restrictions described in more detail below.

The initial stockholders have agreed not to sell or otherwise transfer any of the founders' common stock until one year after the date of the completion of an initial business combination or earlier if, subsequent to our initial business combination, (i) the closing price of our common stock equals or exceeds \$14.25 per share for any 20 trading days within any 30-trading day period or (ii) we consummate a subsequent liquidation, merger, stock exchange or other similar transaction which results in all of our stockholders having the right to exchange their shares of common stock for cash, securities or other property; *provided however* that transfers can be made to permitted transferees who agree in writing to be bound to the transfer restrictions, agree to vote in accordance with the majority of the shares of common stock voted by our public stockholders in connection with our initial business combination and waive any rights to participate in any liquidation distribution if we fail to consummate an initial business combination. For so long as the founders' common stock is subject to such transfer restrictions they will be held in an escrow account maintained by Continental Stock Transfer & Trust Company.

Entities affiliated with certain of our directors and executive officers, which such entities are Hanover Overseas Limited, STC Investment Holdings LLC, Solar Capital, LLC, and Jakal Investments, LLC, along with Mark Klein and Steven Shenfeld, have agreed to purchase an aggregate of 4,625,000 warrants at a price of \$1.00 per warrant (\$4.625 million in the aggregate) in a private placement that will occur simultaneously with the consummation of this offering. Mark Klein, our chief executive officer, president and a director, is the chief executive officer of Hanover Group US LLC, which is an affiliate of Hanover Overseas Limited, Michael J. Levitt, our chairman of the board and Jonathan Berger, a director, are affiliated with STC Investment Holdings LLC, Michael S. Gross, a director, is affiliated with Solar Capital, LLC and Paul Lapping, our chief financial officer, treasurer and secretary, is affiliated with Jakal Investments, LLC. The \$4.625 million of proceeds from this investment will be added to the proceeds of this offering and will be held in the trust account pending our completion of an initial business combination on the terms described in this prospectus. If we do not complete such an initial business combination, then the \$4.625 million will be part of the liquidating distribution to our public stockholders, and the sponsors' warrants will expire worthless.

The sponsors' warrants are identical to the warrants included in the units being sold in this offering, except that (i) the sponsors' warrants are non-redeemable so long as they are held by any of the sponsors or their permitted transferees and (ii) will not be exercisable while they are subject to certain transfer restrictions described in more detail below. The sponsors have agreed not to sell or otherwise transfer any of the sponsors' warrants until the date that is 30 days after the date we complete our initial business combination; provided however that the transfers can be made to permitted transferees who agree in writing to be bound by such transfer restrictions. For so long as the sponsors' warrants are subject to such transfer restrictions they will be held in an escrow account maintained by Continental Stock Transfer & Trust Company.

In addition, the Hanover Group or one of its affiliates, STC Investment Holdings LLC, an entity affiliated with Michael J. Levitt, our chairman of the board, and Jonathan Berger, one of our directors, and Solar Capital, LLC, an entity affiliated with Michael S. Gross, one of our directors, have entered into agreements with Citigroup Global Markets Inc., in accordance with Rule 10b5-1 under the Securities Exchange Act of 1934, pursuant to which they will each place limit orders for up to \$10.0 million of our common stock, or \$30.0 million in the aggregate, commencing on the later of ten business days after we file our Current Report on Form 8-K announcing our execution of a definitive agreement for an initial business combination and 60 days after termination of the restricted period in connection with this offering under Regulation M of the Exchange Act and ending on the business day immediately preceding the record date for the meeting of stockholders at which such initial business combination is to be approved, or earlier in certain circumstances (the Buyback Period). These limit orders will require the stockholders to purchase any of our shares of common stock offered for sale (and not purchased by another investor) at or below a price equal to the per share amount held in our trust account as reported in such Form 8-K, until the earlier of the expiration of the Buyback Period or until such purchases reach \$30.0 million in total. The purchase of such shares will be made by Citigroup Global Markets Inc. or another broker dealer mutually agreed upon by Citigroup Global Markets Inc. and these stockholders. It is intended that such purchases will comply with Rule 10b-18 under the

Exchange Act and the broker's purchase obligation is otherwise subject to

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applicable law. Each of these stockholders may vote these shares in any way they choose at the stockholders meeting to approve our initial business combination. As a result, the Hanover Group, STC Investment Holdings LLC and Solar Capital, LLC may be able to influence the outcome of our initial business combination. However, these stockholders will not be permitted to exercise conversion rights in the event they vote against an initial business combination that is approved; *provided that* these stockholders will participate in any liquidation distributions with respect to any shares of common stock purchased by them following consummation of the offering, including shares purchased pursuant to such limit orders, in the event we fail to complete an initial business combination. In addition, these stockholders have agreed that they will not sell or transfer any shares of common stock purchased by them pursuant to these agreements until one year after we have completed an initial business combination.

If the underwriters determine the size of this offering should be increased it could also result in a proportionate increase in the amount of interest we may withdraw from the trust account. As a result of an increase in the size of this offering, the per-share conversion or liquidation price could decrease by as much as \$0.03.

Our executive offices are located at 590 Madison Avenue, 35th Floor, New York, New York 10022, and our telephone number is (212) 409-2434.

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THE OFFERING

In making your decision on whether to invest in our securities, you should take into account not only the backgrounds of the members of our management team, but also the special risks we face as a blank check company and the fact that this offering is not being conducted in compliance with Rule 419 promulgated under the Securities Act of 1933, as amended (the "Securities Act"). You will not be entitled to protections normally afforded to investors in Rule 419 blank check offerings. You should carefully consider these and the other risks set forth in the section below entitled "Risk Factors" beginning on page 18 of this prospectus.

Securities offered: 30,000,000 units, each unit consisting of:

one share of common stock, par value \$0.0001 per share; and

one warrant

Trading commencement and separation of common stock and warrants:

The units will begin trading on or promptly after the date of this prospectus. The common stock and warrants comprising the units will begin separate trading five business days (or as soon as practicable thereafter) following the earlier to occur of the expiration of the underwriters' over-allotment option or its exercise in full, subject to our having filed the Current Report on Form 8-K described below and having issued a press release announcing when such separate trading will begin.

Separate trading of the common stock and warrants is initially prohibited:

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In no event will the common stock and warrants be traded separately until we have filed a Current Report on Form 8-K with the SEC containing an audited balance sheet reflecting our receipt of the gross proceeds of this offering. We will file the Current Report on Form 8-K upon the consummation of this offering, which is anticipated to take place four business days from the date of this prospectus. If the over-allotment option is exercised following the initial filing of such Current Report on Form 8-K, a second or amended Current Report on Form 8-K will be filed to provide updated financial information to reflect the exercise and consummation of the over-allotment option.

Units:

**Number outstanding
before this offering:**

**Number outstanding
after this offering:** 30,000,000 units

Common stock:

**Number outstanding
before this offering:** 8,625,000 shares⁽¹⁾

**Number to be outstanding
after this offering:** 37,500,000 shares⁽²⁾

Warrants:

**Number outstanding
before this offering:**

**Number of sponsors
warrants to be sold
privately simultaneously
with consummation of
this offering:** 4,625,000 warrants

(1) This number includes an aggregate of 1,125,000 shares of common stock that are subject to forfeiture by our initial stockholders to the extent that the over-allotment is not exercised in full by the underwriters.

(2) Assumes the over-allotment option has not been exercised and an aggregate of 1,125,000 shares of common stock have been forfeited by our initial stockholders.

**Number to be outstanding
after this offering and
the private placement of
the sponsors warrants:** 34,625,000 warrants

Exercisability: Each warrant is exercisable to purchase one share of our common stock.

Exercise price: \$7.50 per share

Exercise period:

The warrants will become exercisable on the later of:

the completion of our initial business combination; or

fifteen months from the date of this prospectus.

provided in each case that we have an effective registration statement under the Securities Act covering the shares of common stock issuable upon exercise of the warrants.

We have agreed to use our best efforts to have an effective registration statement covering shares of common stock issuable upon exercise of the warrants from the date the warrants become exercisable and to maintain a current prospectus relating to that common stock until the warrants expire or are redeemed.

The warrants will expire at 5:00 p.m., New York time, five years from the date of this prospectus or earlier upon redemption or liquidation of the trust account.

Upon the exercise of any warrant, the warrant exercise price will be paid directly to us and not placed in the trust account.

Redemption:

Once the warrants become exercisable and there is an effective registration statement covering the shares of common stock issuable upon exercise of the warrants available and current throughout the 30-day redemption period defined below, we may redeem the outstanding warrants (except as described below with respect to the sponsors' warrants):

in whole and not in part;

at a price of \$0.01 per warrant;

upon a minimum of 30 days' prior written notice of redemption (the "30-day redemption period"); and

if, and only if, the last sale price of our common stock equals or exceeds \$14.25 per share for any 20 trading days within a 30 trading day period ending three business days before we send the notice of redemption.

We may not redeem the sponsors' warrants so long as they are held by the sponsors or their permitted transferees. The underwriters do not have any consent rights in connection with our exercise of redemption rights with respect to the warrants.

Reasons for redemption limitations:

We have established the above conditions to our exercise of redemption rights to:

provide warrant holders with adequate notice of redemption;

permit redemption only after the then-prevailing common stock price is substantially above the warrant exercise price; and

ensure a sufficient differential between the then-prevailing common stock price and the warrant exercise price exists so there is a buffer to absorb the market reaction, if any, to our redemption of the warrants.

If the foregoing conditions are satisfied and we issue a notice of redemption, each warrant holder can exercise his, her or its warrant prior to the scheduled

redemption date. However, there can be no assurance that the price of the common stock will not fall below the \$14.25 trigger price or the \$7.50 warrant exercise price after the redemption notice is issued. In no event will we be required to settle the exercise of these warrants or the sponsors' warrants discussed below, whether by net cash settlement or otherwise.

Founders' common stock:

In transactions occurring in February, March and July of 2007, Hanover Overseas Limited, STC Investment Holdings LLC, Solar Capital, LLC, Jakal Investments LLC, Mark Klein, David Hawkins, Steven Shenfeld, Bradford Peck and Frederick Kraegel purchased 8,625,000 shares of our common stock (after giving effect to our stock dividends that occurred on July 5, 2007 and July 27, 2007) for an aggregate purchase price of \$25,000. This includes an aggregate of 1,125,000 shares of common stock subject to forfeiture by our initial stockholders to the extent that the underwriters' over-allotment option is not exercised in full so that our initial stockholders will collectively own 20% of our issued and outstanding shares after this offering (assuming none of them purchase units in this offering). The founders' common stock is identical to the shares included in the units being sold in this offering, except that:

the founders' common stock is subject to the transfer restrictions described below;

the initial stockholders have agreed to vote the founders' common stock in the same manner as a majority of the public stockholders in connection with the vote required to approve our initial business combination and as a result, will not be able to exercise conversion rights (as described below) with respect to the founders' common stock; and

the initial stockholders have agreed to waive their rights to participate in any liquidation distribution with respect to the founders' common stock if we fail to consummate an initial business combination.

The initial stockholders have agreed not to sell or otherwise transfer any of the founders' common stock until one year after the date of the completion of an initial business combination or earlier if, subsequent to our initial business combination, (i) the closing price of our common stock equals or exceeds \$14.25 per share for any 20 trading days within any 30-trading day period or (ii) we consummate a subsequent liquidation, merger, stock exchange or other similar transaction which results in all of our stockholders having the right to exchange their shares of common stock for cash, securities or other property; *provided however* that transfers can be made to permitted transferees who agree in writing to be bound to the transfer restrictions, agree to vote in accordance with the majority of the shares of common stock voted by our public stockholders in connection with our initial business combination and waive any rights to participate in any liquidation distribution if we fail to consummate an initial business combination. For so long as the founders' warrants are subject to such transfer restrictions they will be held in an escrow account maintained by Continental Stock Transfer & Trust Company.

Permitted transferees means:

immediate family members of the holder and trusts established by the holder for estate planning purposes; and

affiliates of the holder.

In addition, the initial stockholders are entitled to registration rights with respect to the founders' common stock under an agreement to be signed on or before the date of this prospectus.

The Hanover Group, STC Investment Holdings LLC and Solar Capital, LLC, have entered into agreements with Citigroup Global Markets Inc., in accordance with Rule 10b5-1 under the Securities Exchange Act of 1934, pursuant to which they will each place limit orders for up to \$10.0 million of our common stock, or \$30.0

million in the aggregate, commencing on the later of ten business days after we file our Current Report on Form 8-K announcing our execution of a definitive agreement for an initial business combination and 60 days after termination of the restricted period in connection with this offering under Regulation M of the Exchange Act and ending on the business day immediately preceding the record date for the meeting of stockholders at which such initial business combination is to be approved, or earlier in certain circumstances. These limit orders will require the stockholders to purchase any of our shares of common stock offered for sale (and not purchased by another investor) at or below a price equal to the per share amount held in our trust account as reported in such Form 8-K, until the earlier of the expiration of the Buyback Period or until such purchases reach \$30.0 million in total. The purchase of such shares will be made by Citigroup Global Markets Inc. or another broker dealer mutually agreed upon by Citigroup Global Markets Inc. and these stockholders. It is intended that such purchases will comply with Rule 10b-18 under the Exchange Act and the broker's purchase obligation is otherwise subject to applicable law. Each of these stockholders may vote these shares in any way they choose at the stockholders meeting to approve our initial business combination. As a result, the Hanover Group, STC Investment Holdings LLC and Solar Capital, LLC may be able to influence the outcome of our initial business combination. However, these stockholders will not be permitted to exercise conversion rights in the event they vote against an initial business combination that is approved; *provided that* these stockholders will participate in any liquidation distributions with respect to any shares of common stock purchased by them following consummation of the offering, including shares purchased pursuant to such limit orders, in the event we fail to complete an initial business combination. In addition, these stockholders have agreed that they will not sell or transfer any shares of common stock purchased by them pursuant to these agreements until one year after we have completed an initial business combination. The Hanover Group, STC Investment Holdings LLC and Solar Capital, LLC have agreed to make available to Citigroup Global Markets Inc. quarterly statements confirming that they each have sufficient funds to satisfy these transactions. In addition, the Hanover Group, STC Investment Holdings LLC and Solar Capital, LLC are entitled to registration rights with respect to the shares purchased in accordance with Rule 10b5-1 under the Securities Exchange Act of 1934 during the Buyback Period under an agreement to be signed on or before the date of this prospectus.

Sponsors warrants purchased through private placement:

Hanover Overseas Limited, STC Investment Holdings LLC, Solar Capital, LLC, Jakal Investments LLC, Mark Klein and Steven Shenfeld have entered into agreements with us to invest \$4.625 million in us in the form of sponsors warrants to purchase 4,625,000 shares of our common stock at a price of \$1.00 per warrant. The sponsors are obligated to purchase the sponsors warrants from us upon the consummation of this offering. The sponsors warrants will be purchased separately and not in combination with common stock or in the form of units. The purchase price of the sponsors warrants will be added to the proceeds from this offering to be held in the trust account pending the completion of our initial business combination. If we do not complete an initial business combination that meets the criteria described in this prospectus, then the \$4.625 million purchase price of the sponsors warrants will become part of the liquidating distribution to our public stockholders and the sponsors warrants will expire worthless.

The sponsors warrants are identical to the warrants included in the units being sold in this offering, except that the sponsors warrants:

are subject to the transfer restrictions described below;

are non-redeemable so long as they are held by any of the sponsors or their permitted transferees; and

will not be exercisable while they are subject to the transfer restrictions described below.

The holders of the warrants included in the units purchased in this offering will not be able to exercise those warrants unless we have an effective registration statement covering the shares issuable upon their exercise and a related current prospectus available. Although the shares of common stock issuable pursuant to the sponsors' warrants will not be issued pursuant to a registration statement so long as they are held by our sponsors and their permitted transferees, the warrant agreement provides that the sponsors' warrants may not be exercised unless a registration statement relating to the common stock issuable upon exercise of the warrants purchased in this offering is effective and a related current prospectus is available.

The sponsors have agreed not to sell or otherwise transfer any of the sponsors' warrants until the date that is 30 days after the date we complete our initial business combination; *provided however* that the transfers can be made to permitted transferees who agree in writing to be bound by such transfer restrictions. For so long as the sponsors' warrants are subject to such transfer restrictions they will be held in an escrow account maintained by Continental Stock Transfer & Trust Company.

We will not be required to settle any such warrant exercise, whether by net cash settlement or otherwise. In addition, the sponsors are entitled to registration rights with respect to the sponsors' warrants under an agreement to be signed on or before the date of this prospectus.

Right of first review:

We have entered into a business opportunity right of first review agreement with Hanover Group US, LLC, Mark D. Klein, our chief executive officer, president and a director, and Paul D. Lapping, our chief financial officer, treasurer and secretary, that provides that from the date of this prospectus until the earlier of the consummation of our initial business combination or our liquidation in the event we do not consummate an initial business combination, we will have a right of first review with respect to business combination opportunities of Hanover Group US, LLC, Messrs. Klein and Lapping, and companies or other entities which they manage or control, in the alternative asset management sector or a related business with an enterprise value of \$155 million or more. Hanover Group US, LLC and Messrs. Klein and Lapping will, and will cause such companies or entities under their management or control to, first offer any such business opportunity to us (subject to any fiduciary obligations they may have) and they will not, and will cause each other company or entity under their management or control not to, pursue such business opportunity unless and until a majority of our disinterested directors have determined for any reason that we will not pursue such opportunity. Based upon our understanding of the existing fiduciary obligations of Messrs. Klein and Lapping and the types of target businesses we will be focusing on, we do not believe these fiduciary obligations will materially impact the right of first review agreement. Other than Mr. Klein, none of our directors have entered into similar agreements.

Conflicts of Interest:

For a description of potential conflicts of interest see [Risk Factors](#) and [Management](#) [Conflicts of Interest](#).

American Stock

Exchange symbols for our:

Units: AMV.U

Common stock: AMV

Warrants: AMV.WS

**Proceeds of offering
and private placement
of sponsors' warrants
to be held in trust
account and amounts**

**payable prior to trust
account distribution
or liquidation:**

Approximately \$292.75 million, or approximately \$9.76 per unit (approximately \$336.1 million, or approximately \$9.74 per unit, if the underwriters' over-allotment option is exercised in full) of the proceeds of this offering and the private placement of the sponsors' warrants will be placed in a trust account at [redacted] with Continental Stock Transfer & Trust Company as trustee, pursuant to an agreement to be signed on the date of this prospectus.

These proceeds include \$9.75 million in deferred underwriting discounts and commissions (or approximately \$11.2 million if the over-allotment option is exercised in full). We believe that the inclusion in the trust account of the purchase price of the sponsors' warrants and the deferred underwriting discounts and commissions is a benefit to our stockholders because additional proceeds will be available for distribution to investors if a liquidation of our company occurs prior to our completing an initial business combination. Except as described below, proceeds in the trust account will not be released until the earlier of completion of our initial business combination or our liquidation. Unless and until an initial business combination is consummated, proceeds held in the trust account will not be available for our use for any purpose, including the payment of expenses related to this offering, and the investigation, selection and negotiation of an agreement with one or more target businesses, except there can be released to us from the trust account (i) interest income earned on the trust account balance to pay any income taxes on such interest or franchise tax obligations and (ii) interest income earned of up to \$3.0 million on the trust account balance to fund our working capital requirements, *provided that* after such release there remains in the trust account a sufficient amount of interest income previously earned on the trust account balance to pay any due and unpaid income taxes on such \$3.0 million of interest income (which provision we refer to as the tax holdback). With these exceptions, expenses incurred by us while seeking an initial business combination may be paid prior to our initial business combination only from the net proceeds of this offering not held in the trust account (initially, approximately \$25,000).

**Limited payments to
insiders:**

There will be no fees, reimbursements or other cash payments paid to our initial stockholders, sponsors, officers, directors or their affiliates prior to, or for any services they render in order to effectuate, the consummation of an initial business combination (regardless of the type of transaction that it is) other than:

Repayment of a \$175,000 loan that is non-interest bearing made to us by Mark Klein to cover offering expenses;

A payment of an aggregate of \$10,000 per month to Hanover Group US LLC, an indirect subsidiary of the Hanover Group, for office space, secretarial and administrative services; and

Reimbursement for any expenses incident to this offering and expenses incident to identifying, investigating and consummating an initial business combination with one or more target businesses, none of which have been

incurred to date. There is no limit on the amount of out-of-pocket expenses that could be incurred; *provided, however*, that to the extent such out-of-pocket expenses exceed the available proceeds not deposited in the trust account and interest income of up to \$3.0 million on the balance in the trust account, such out-of-pocket expenses would not be reimbursed by us unless we consummate an initial business combination.

Our audit committee will review and approve all reimbursements made to our initial stockholders, sponsors, officers, directors or their affiliates, and any reimbursements made to members of our audit committee will be reviewed and approved by our board of directors, with any interested director abstaining from such

review and approval.

All amounts held in the trust account that are not converted to cash, released to us in the form of interest income or payable to the underwriters for deferred discounts and commissions will be released to us on closing of our initial business combination:

All amounts held in the trust account that are not converted to cash (as described below) or previously released to us as interest income to pay taxes on interest or to fund working capital will be released to us upon closing of our initial business combination with one or more target businesses, subject to compliance with the conditions to consummating an initial business combination that are described below. We will use these funds to pay amounts due to any public stockholders who exercise their conversion rights and to pay the underwriters their deferred underwriting discounts and commissions that are equal to 3.25% of the gross proceeds of this offering, or \$9.75 million (or approximately \$11.2 million if the underwriters over-allotment option is exercised in full). Funds released from the trust account to us can be used to pay all or a portion of the purchase price of the target business or businesses. If the initial business combination is paid for using stock or debt securities, we may apply the cash released to us from the trust account to general corporate purposes, including but not limited to maintenance or expansion of operations of acquired businesses, the payment of principal or interest due on indebtedness incurred in consummating our initial business combination or to fund the purchase of other companies or for working capital.

Certificate of Incorporation:

As discussed below, there are specific provisions in our amended and restated certificate of incorporation that may not be amended without the unanimous consent of our stockholders prior to our consummation of an initial business combination, including requirements to seek stockholder approval of an initial business combination and to allow our stockholders to seek conversion of their shares if they do not approve of an initial business combination. While we have been advised that the validity of unanimous consent provisions under Delaware law has not been settled, we view these provisions as obligations to our stockholders and will not take any action to amend or waive these provisions.

Our amended and restated certificate of incorporation also provides that we will continue in existence only until 24 months from the date of this prospectus. If we have not completed an initial business combination by such date, our corporate existence will cease except for the purposes of winding up our affairs and

liquidating, pursuant to Section 278 of the Delaware General Corporation Law. This has the same effect as if our board of directors and stockholders had formally voted to approve our dissolution pursuant to Section 275 of the Delaware General Corporation Law. Accordingly, limiting our corporate existence to a specified date as permitted by Section 102(b)(5) of the Delaware General Corporation Law removes the necessity to comply with the formal procedures set forth in Section 275 (which would have required our board of directors and stockholders to formally vote to approve our dissolution and liquidation and to have filed a certificate of dissolution with the	2% 42.5 72.5 -41%
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Delaware Secretary of State). In connection with any proposed initial business combination we submit to our stockholders for approval, we will also submit to stockholders a proposal to amend our amended and restated certificate of incorporation to provide for our perpetual existence, thereby removing this limitation on our corporate life. Our initial business combination will be approved only if a majority of the shares of common stock voted by the public stockholders present in person or by proxy are voted in favor of our initial business combination and in favor of our amend"bottom">

Average selling price (EUR)	114	109	5%	122	-7%	119	115	3%
Net sales	1,619	2,808	-42%	1,684	-4%	5,038	8,330	-40%
Gross margin	16%	22%		12%		12%	25%	
Operating margin	-12%	-1%		-16%		-17%	2%	
Income before taxes	-199	-23		-283		-853	179	
Income before taxes, excl restructuring charges	-198	12		-283		-838	225	
Net income	-164	-25		-213		-669	114	

Units shipped in the quarter were 14.1 million, a sequential increase of 2% and a decrease of 45% year-over-year. Sales in the quarter were EUR 1,619 million, a sequential decrease of 4% and a decrease of 42% year-over-year. The sequential decline in average selling price was due to product mix and continued challenging market conditions. Gross margin improved sequentially but dropped year-over-year due to lower sales and currency exchange rate effects.

The sequential improvement was seen in both percentage rate and in volume driven by cost saving activities and successful sales of the W995 Walkman phone.

Income before taxes for the quarter, excluding restructuring charges, was a loss of EUR -198 (12) million. The loss in the second quarter was EUR -283 million. The reduced loss was due to better cost of sales efficiency as well as reduced operating expenses. As of September 30, 2009, Sony Ericsson retained a net cash position of EUR 841 million.

Since the beginning of the quarter, facilities of EUR 455 million were signed to strengthen the balance sheet and improve liquidity. EUR 155 million were drawn by the end of September and EUR 100 million were drawn in the beginning of October. In addition, a two-year committed back-up facility of EUR 200 million is available but has not been utilized. The parent companies have guaranteed EUR 350 million of these facilities on a 50/50 basis.

Bert Nordberg, former head of Ericsson Silicon Valley and Executive Vice President in Ericsson has been appointed President of Sony Ericsson as of October 15, 2009.

Ericsson's share in Sony Ericsson's income before tax was SEK -1.0 (-0.1) b. in the quarter.

ST-Ericsson

USD m.	2009			2008
	Third quarter	Second quarter	Feb-Mar	Proforma third quarter
Net sales	728	666	391	1,003
Adjusted operating income ¹⁾	-77	-165	-78	-34
Operating income before taxes	-121	-224	-98	-59
Net income	-112	-213	-89	NA

1) *Operating loss adjusted for amortization of acquisition related intangibles and restructuring charges*

Net sales in the quarter showed an increase of 9% sequentially with solid performance in Asia.

Adjusted operating loss in the quarter was USD -77 (-34) m. The adjusted operating loss in the second quarter was USD -165 million. The reduced loss reflects a tight control of product costs and operational expenses as well as positive seasonal effects. The USD 250 m. cost synergies program, defined by ST-NXP Wireless in the third quarter 2008, is now substantially completed. The new restructuring plan of USD 230 m. cost synergies, announced at the end of April, had a limited benefit to the third quarter result.

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Gilles Delfassy, with a long experience from the microelectronics business has been appointed President and CEO of ST-Ericsson as of November 2, 2009.

ST-Ericsson is reported in US-GAAP. Ericsson's share in ST-Ericsson's income before tax, adjusted to IFRS, was SEK -0.5 b. in the quarter, including restructuring charges of SEK 0.1 b. Ericsson Mobile Platforms incurred a loss of SEK 0.5 b. in January 2009, which is added to the result in segment ST-Ericsson year-to-date.

REGIONAL OVERVIEW

Sales, SEK b.	Third quarter			Second quarter		Nine months		
	2009	2008	Change	2009	Change	2009	2008	Change
Western Europe	10.1	11.6	-13%	11.4	-11%	32.7	35.4	-8%
Central and Eastern Europe, Middle East and Africa	11.6	13.1	-11%	12.6	-8%	36.7	35.5	4%
Asia Pacific	15.3	14.1	9%	17.4	-12%	49.0	42.8	15%
Latin America	5.0	6.1	-18%	4.8	4%	14.2	15.2	-7%
North America	4.4	4.3	1%	5.9	-27%	15.5	13.0	19%
Total	46.4	49.2	-6%	52.1	-11%	148.1	141.9	4%

REGIONAL SALES BY
QUARTER,
2008 AND 2009 (SEK B)

Western Europe sales declined -6% year-over-year for comparable units. However, the region showed growth when adjusting for the impact of the reduced scope for the renewed managed services agreement in Italy. UK showed the strongest growth driven by managed services while Spain is still weak. Mobile broadband is growing strongly throughout the region. This creates demand for more spectrum, including new licenses for 2.6GHz and 800MHz spectrums and refarming of existing spectrum. There is also a continued increase in demand for managed services.

Sales in Central and Eastern Europe, Middle East and Africa decreased by -11% year-over-year. This is the region presently most impacted by the economic climate including credit constraints. Egypt, Nigeria, Turkey and Saudi Arabia showed the strongest development. The Turkish market remains particularly strong with a continued fast rollout of 3G networks. New licenses are issued in the region, latest in Tunisia, where Ericsson was selected as one of the main suppliers of a new 2G and 3G network. The interest for managed services is strong in the region and Ericsson has signed several new contracts.

Asia Pacific sales increased 9% year-over-year. India was the largest market for Ericsson in the quarter. China sales were up significantly year-over-year due to major 3G rollouts. Japan and Vietnam also showed strong growth while markets such as Bangladesh, Pakistan and Indonesia were down significantly. Several operators are forced to delay investments due to credit constraints despite traffic growth. Government driven next-generation broadband and fiber backhaul networks are being built in several countries across the region.

Latin American sales decreased by -18% year-over-year with lower demand across the region. Demand for mobile broadband continues to develop well. Meanwhile, due to delays of licensing of new spectrum and services, in larger countries like Mexico, Brazil and Argentina, operators hold back investments in new technologies and applications.

North American sales increased by 1% year-over-year in a tough year-over-year comparison. Data traffic shows strong growth and the demand for mobile broadband is high. AT&T named Ericsson as a domain supplier for their wireline access network. Ericsson was also selected sole LTE supplier to Metro PCS. The Sprint Network Advantage partnership commenced on September 21.

MARKET DEVELOPMENT

Growth rates are based on Ericsson and market estimates

The global economic slowdown is affecting all parts of the society. However, we believe that the fundamentals for longer-term positive development for our industry remain solid. The need for telecommunication continues to grow and plays a vital role for the development of a sustainable and prosperous society. Ericsson is well positioned to drive and benefit from this development.

There is continued growth in mobile subscriptions, although the current growth rate is lower than in 2008. Mobile subscriptions grew by some 133 million in the quarter to a total of 4.4 billion. In India alone subscriptions are growing by some 14 million per month. The global number of new WCDMA subscriptions is accelerating and grew by 36 million in the quarter to a total of 411 million. In the second quarter, fixed broadband connections grew to 422 million, adding 12 million subscribers.

The traffic in the mobile networks is accelerating, which creates need for new and expanded mobile networks and corresponding professional services. GSM/WCDMA/LTE is the dominating technology track. The build-out of telecommunications in emerging markets continues, and although they represent less than one third of global GDP they represent significantly more of the market for mobile network equipment.

Data traffic, as part of operator revenues, continues to increase. For many large operators, mobile data revenues now constitute 25% of total service revenues or more. In addition to capacity enhancements, operators face the challenge of converting to all-IP broadband networks. This will include increased deployments of broadband access, routing and transmission equipment along with next-generation service delivery and revenue management systems.

There is continued strong growth in telecom services, fueled by operators' desire to reduce operating expenses and improve efficiency in network operation and maintenance. The move toward all-IP and increased network complexity will create further demand for systems integration and consulting.

PARENT COMPANY INFORMATION

Net sales for the nine-month period amounted to SEK 0.3 (4.1) b. and income after financial items was SEK 5.8 (17.6) b. Effective January 1, 2009, the right to all license revenues from third parties related to patent licenses has been transferred to Ericsson AB, a wholly owned subsidiary, and consequently net sales in 2009 will be insignificant compared to 2008.

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Major changes in the Parent Company's financial position for the nine-month period include investments in the joint venture with ST-Ericsson of SEK 8.4 b., decreased current and non-current receivables from subsidiaries of SEK 13.6 b. and increased cash and bank and short-term investments of SEK 8.2 b.

Notes and bond loans increased by net SEK 5.8 b. through new borrowings and loan repayment during the second quarter. Current and non-current liabilities to subsidiaries increased by SEK 2.9 b. and other current liabilities decreased by SEK 6.6 b. As per September 30, 2009, cash and bank and short-term investments amounted to SEK 67.4 (59.2) b.

In accordance with the conditions of the Stock Purchase Plans and Option Plans for Ericsson employees, 2,164,500 shares from treasury stock were sold or distributed to employees during the third quarter. The holding of treasury stock at September 30, 2009, was 82,215,837 Class B shares.

OTHER INFORMATION

Ericsson to acquire majority of Nortel's North American wireless business

On July 25, 2009, Ericsson announced that it has entered into an asset purchase agreement to acquire the parts of the Carrier Networks division of Nortel relating to CDMA and LTE technology in North America. The purchase is structured as an asset sale at a cash purchase price of USD 1.13 b. on a cash and debt free basis.

Completion of the transaction is still subject to approval in the United States.

New President of Sony Ericsson appointed

On August 17, 2009, Bert Nordberg, Executive Vice President of Ericsson was appointed President of Sony Ericsson as of October 15, 2009. Nordberg left his position in Ericsson when he joined Sony Ericsson.

New President and CEO of ST-Ericsson

On September 2, 2009, Gilles Delfassy, was appointed President and CEO of ST-Ericsson as of November 2, 2009. Delfassy is a highly regarded expert in the wireless industry.

Head of strategy appointed

On August 11, 2009, Douglas L. Gilstrap was appointed Senior Vice President and Head of Group Function Strategy as of October 1, 2009. Gilstrap brings more than 15 years of experience in the global telecommunications and IT industry.

Assessment of risk environment

Ericsson's operational and financial risk factors and uncertainties are described under "Risk factors Assessment of risk environment" in our Annual Report 2008.

Risk factors and uncertainties in focus during the forthcoming six-month period for the Parent Company and the Ericsson Group include:

potential negative effects of the continued uncertainty in the financial markets and the weak economic business environment on operators' willingness to invest in network development as well as uncertainty regarding the financial stability of suppliers, for example due to lack of borrowing facilities, or reduced consumer telecom spending, or increased pressure on us to provide financing;

effects on gross margins and/or working capital of the product mix in the Networks segment between sales of software, upgrades and extensions and the pro-portion of new network build-outs and break-in contracts;

a volatile sales pattern in the Multimedia segment or variability in our overall sales seasonality could make it more difficult to forecast future sales;

results and capital needs of our two major joint ventures, Sony Ericsson and ST-Ericsson, which both are negatively affected to a larger extent than our three other segments by the current economic slowdown;

effects of the ongoing industry consolidation among our customers as well as between our largest competitors, e.g. intensified price competition;

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changes in foreign exchange rates, in particular USD and EUR;

continued political unrest or instability in certain markets.

Ericsson conducts business in certain countries which are subject to trade restrictions or which are focused on by certain investors. We stringently follow all relevant regulations and trade embargos applicable to us in our dealings with customers operating in such countries. Moreover, Ericsson operates globally in accordance with Group level policies and directives for business ethics and conduct. In no way should our business activities in these countries be construed as supporting a particular political agenda or regime. We have activities in such countries mainly due to that certain customers with multi-country operations put demands on us to support them in all of their markets.

Please refer further to Ericsson's Annual Report 2008, where we describe our risks and uncertainties along with our strategies and tactics to mitigate the risk exposures or limit unfavorable outcomes.

Stockholm, October 22, 2009

Carl-Henric Svanberg

President and CEO

Telefonaktiebolaget LM Ericsson (publ)

Date for next report: January 25, 2010

Ericsson Third Quarter Report 2009

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AUDITORS REVIEW REPORT

We have reviewed this report for the period January 1 to September 30, 2009, for Telefonaktiebolaget LM Ericsson (publ). The board of directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

We conducted our review in accordance with the Standard on Review Engagements SÖG 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by FAR SRS. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden, RS, and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group and with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, October 22, 2009

PricewaterhouseCoopers AB

Peter Clemedtson

Authorized Public Accountant

EDITOR S NOTE

To read the complete report with tables, please go to:

www.ericsson.com/investors/financial_reports/2009/9month09-en.pdf

Ericsson invites media, investors and analysts to a press conference at the Ericsson headquarters, Torshamnsgatan 23, Stockholm, at 09.00 (CET), October 22.

An analysts, investors and media conference call will begin at 14.00 (CET).

Live webcasts of the press conference and conference call as well as supporting slides will be available at www.ericsson.com/press and www.ericsson.com/investors.

FOR FURTHER INFORMATION, PLEASE CONTACT

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Disclosure Pursuant to the Swedish Securities Markets Act

Ericsson discloses the information provided herein pursuant to the Securities Markets Act. The information was submitted for publication at 07.30 CET, on October 22, 2009.

Safe Harbor Statement of Ericsson under the US Private Securities Litigation Reform Act of 1995;

All statements made or incorporated by reference in this release, other than statements or characterizations of historical facts, are forward-looking statements. These forward-looking statements are based on our current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by us. Forward-looking statements can often be identified by words such as anticipates, expects, intends, plans, predicts, believes, seeks, estimates, may, will, should, would, potential, continuing, or variations of these words, and include, among others, statements regarding: (i) strategies, outlook and growth prospects; (ii) positioning to deliver future plans and to realize potential for future growth; (iii) liquidity and capital resources and expenditure, and our credit ratings; (iv) growth in demand for our products and services; (v) our joint venture activities; (vi) economic outlook and industry trends; (vii) developments of our markets; (viii) the impact of regulatory initiatives; (ix) re-search and development expenditures; (x) the strength of our competitors; (xi) future cost savings; (xii) plans to launch new products and services; (xiii) assessments of risks; (xiv) integration of acquired businesses; (xv) compliance with rules and regulations and (xvi) infringements of intellectual property rights of others.

In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. These forward-looking statements speak only as of the date hereof and are based upon the information available to us at this time. Such information is subject to change, and we will not necessarily inform you of such changes. These statements are not guarantees of future performance and are subject to risks, uncertainties and assumptions that are difficult to predict. Therefore, our actual results could differ materially and adversely from those expressed in any forward-looking statements as a result of various factors. Important factors that may cause such a difference for Ericsson include, but are not limited to: (i) material adverse changes in the markets in which we operate or in global economic conditions; (ii) increased product and price competition; (iii) reductions in capital expenditure by network operators; (iv) the cost of technological innovation and increased expenditure to improve quality of service; (v) significant changes in market share for our principal products and services; (vi) foreign exchange rate or interest rate fluctuations; and (vii) the successful implementation of our business and operational initiatives.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

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Date: October 22, 2009