

SAPPI LTD
Form 6-K
June 21, 2012

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16
under the Securities Exchange Act of 1934

For the month of June 2012

Commission file number: 1-14872

SAPPI LIMITED
(Translation of registrant's name into English)

48 Ameshoff Street
Braamfontein
Johannesburg 2001

REPUBLIC OF SOUTH AFRICA
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F x

Form 40-F o

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b) (1): o

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b) (7): o

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes o

No x

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A



INCORPORATION BY REFERENCE

Sappi Limited's announcement, furnished by the Registrant under this Form 6-K, is incorporated by reference into (i) the Registration Statements on Form S-8 of the Registrant filed December 23, 1999, December 15, 2004 and February 2, 2010 in connection with The Sappi Limited Share Incentive Scheme, (ii) the Section 10(a) Prospectus relating to the offer and sale of the Registrant's shares to Participants under The Sappi Limited Share Incentive Scheme, (iii) the Registration Statements on Form S-8 of the Registrant filed December 15, 2004 and December 21, 2005 in connection with The Sappi Limited 2004 Performance Share Incentive Plan and (iv) the Section 10(a) Prospectus relating to the offer and sale of the Registrant's shares to Participants under The Sappi Limited 2004 Performance Share Incentive Plan.

FORWARD-LOOKING STATEMENTS

In order to utilize the "Safe Harbor" provisions of the United States Private Securities Litigation Reform Act of 1995 (the "Reform Act"), Sappi Limited (the "Company") is providing the following cautionary statement. Except for historical information contained herein, statements contained in this Report on Form 6-K may constitute "forward-looking statements" within the meaning of the Reform Act. The words "believe", "anticipate", "expect", "intend", "estimate", "plan", "assume", "positioned", "will", "may", "should", "risk" and other similar expressions, which are predictions of or indicate future events and future trends, which do not relate to historical matters, identify forward-looking statements. In addition, this Report on Form 6-K may include forward-looking statements relating to the Company's potential exposure to various types of market risks, such as interest rate risk, foreign exchange rate risk and commodity price risk. Reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors which are in some cases beyond the control of the Company, together with its subsidiaries (the "Group"), and may cause the actual results, performance or achievements of the Group to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements (and from past results, performance or achievements). Certain factors that may cause such differences include but are not limited to: the impact of the global economic downturn, the highly cyclical nature of the pulp and paper industry (and the factors that contribute to such cyclicity, such as levels of demand, production capacity, production, input costs including raw material, energy and employee costs, and pricing), adverse changes in the markets for the group's products, the emergence of new technologies and changes in consumer trends including increased preferences for digital media, consequences of substantial leverage, including as a result of adverse changes in credit markets that affect our ability to raise capital when needed, changing regulatory requirements, unanticipated production disruptions (including as a result of planned or unexpected power outages), economic and political conditions in international markets, the impact of restructurings, investments, acquisitions, dispositions and other strategic initiatives (including related financing), any delays, unexpected costs or other problems experienced in connection with dispositions or with integrating acquisitions or implementing restructurings or other strategic initiatives, and achieving expected savings and synergies, and currency fluctuations. These and other risks, uncertainties and factors are discussed in the Company's Annual Report on Form 20-F and other filings with and submissions to the Securities and Exchange Commission, including this Report on Form 6-K. Shareholders and prospective investors are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements are made as of the date of the submission of this Report on Form 6-K and are not intended to give any assurance as to future results. The Company undertakes no obligation to publicly update or revise any of these forward looking statements, whether to reflect new information or future events or circumstances or otherwise.

NOT FOR DISTRIBUTION TO ANY PERSON LOCATED OR RESIDENT IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS ANNOUNCEMENT.

Announcement

Immediate release

Sappi Announces Upsizing of Pending Tender Offer

June 20, 2012

PE Paper Escrow GmbH (“PE Paper”) is upsizing the Offer to Purchase announced on June 20, 2012 (“Offer to Purchase”). The Maximum Tender Amount, consisting of the aggregate principal amount of U.S. dollar-denominated 12.00% Senior Secured Notes due 2014 (the “Dollar Notes”) and euro-denominated 11.75% Senior Secured Notes due 2014 (the “Euro Notes” and, together with the Dollar Notes, the “Notes”) offered to be purchased by PE Paper is being increased from US\$300,000,000 to US\$700,000,000.

PE Paper’s obligation to accept for purchase, and to pay the applicable Total Consideration or Tender Offer Consideration, as the case may be, for Notes validly tendered pursuant to the Tender Offer is conditioned upon the successful completion by Sappi Papier Holding GmbH (“SPH”) of the New Financing (defined below) and the satisfaction or waiver of certain other conditions. In connection with the Tender Offer, SPH intends to issue indebtedness in the capital markets in an aggregate principal amount of \$700,000,000 (“New Financing”) and use the proceeds thereof, in addition to cash on hand, to repay part of the amounts outstanding under the PE Paper Proceeds Loan and provide PE Paper with the funds required to consummate the Tender Offer.

On or about the date on which PE Paper makes an Early Settlement Election and assuming the New Financing has been consummated, to the extent that PE Paper has received valid tenders with respect to Notes having an aggregate principal amount less than the Maximum Tender Amount, PE Paper intends to issue a notice of redemption for Notes not accepted for purchase in the Tender Offer, in an aggregate principal amount corresponding to the Maximum Tender Amount minus the aggregate principal amount of Notes that have been tendered in the Tender Offer and not withdrawn as of the Early Tender Deadline, and redeem such Notes in accordance with the terms of the Indenture on or about the 30th day following the issuance of the redemption notice, at a redemption price of 106.000% of the principal amount of each Dollar Note and at a redemption price of 105.875% of the principal amount of each Euro Note, in each case plus accrued and unpaid interest to the date of redemption (subject to the rights of Holders of Notes on the relevant date to receive interest on the relevant interest payment date), with Dollar Notes redeemed in priority to any Euro Notes.

All other terms of the Offer, as previously announced, remain unchanged. The Offer is being made solely pursuant to the Offer to Purchase. The final results of the Tender Offer will not be available until after the Offer expires at midnight, New York City time, on July 18, 2012, unless extended (such date and time, as the same may be extended, the “Expiration Time”).

Registered holders of Notes (the “Holders”) validly tendered and not validly withdrawn at or prior to the Early Tender Deadline will be eligible to receive the “Total Consideration” listed in the table below. Holders who validly tender Notes after such time but at or prior to the Expiration Time will be eligible to receive the “Tender Offer Consideration” listed in the table below. Withdrawal rights for the Offers will expire on July 3, 2012 at 5:00 p.m., New York City time.

Payments for Notes purchased will include accrued and unpaid interest on the tendered Notes accepted for purchase from and including the last interest payment date applicable to such Notes to, but not including, the Early Settlement Time or the Settlement Time, as applicable.

As further explained in the Offer to Purchase, PE Paper will, subject to the terms and conditions of the Offer to Purchase, accept for purchase Notes in accordance with the “Acceptance Priority Level” set forth in the table below. If there are sufficient remaining funds to purchase some, but not all, of the Euro Notes, the amount of Euro Notes purchased will be prorated as further described in the Offer to Purchase.

| ISIN | CUSIP or Common Code | Title of Security | Principal Amount Outstanding | Acceptance Priority Level | Tender Offer Consideration(1) | Early Tender Payment | Total Consideration(1) |
|------|---|--|------------------------------------|---------------------------------|----------------------------------|----------------------------|---------------------------|
| | Reg S: A61798AA1 / 043365126 | 12.00% Senior Secured Notes due 2014 | \$300,000,000 | 1 | \$1,047.50 | \$20.00 | \$1,067.50 |
| | Reg S: USA61798AA19 144A: US693309AA40 693309AA4 / 043365134 | 11.75% Senior Secured Notes due 2014 | €350,000,000 | 2 | €1,046.25 | €20.00 | €1,066.25 |
| | Reg S: XS0442348073 144A: XS0442348313 044234831 | | | | | | |

(1) Does not include Accrued Interest.

The complete terms and conditions of the Offer are set forth in the Offer to Purchase and related Letter of Transmittal that were previously furnished to Holders, as those may be amended from time to time. The amendments announced hereby will be reflected in a supplement to the Offer to Purchase. Holders are urged to read the tender offer documents carefully. Copies of these documents may be obtained from the Tender and Information Agent, The Bank of New York Mellon, at +1 212 815 2742 (Dollar Notes), +44 (0)20 7964 4958 (Euro Notes) and at debtstructuring@bnymellon.com or from the Dealer Managers, The Royal Bank of Scotland plc, at +44 (0)20 7085 4634 or liabilitymanagement@rbs.com, RBS Securities Inc., at +1 877 297 9832 (toll free) or +1 203 897 4825 (collect), Citigroup Global Markets Limited, at +1 800 558 3745 (toll free), +1 212 723 6106 (collect) or liabilitymanagement.europe@citi.com, J.P. Morgan Securities LLC, at +1 800 245 8812 (toll free), +1 212 270 1200 (collect), or J.P. Morgan Securities Ltd., at +44 (0)20 7325 9633.

DISCLAIMER

This announcement must be read in conjunction with the Offer Documents. This announcement and the Offer Documents contain important information which should be read carefully before any decision is made with respect to the Tender Offer. If you are in any doubt as to the action you should take, you are recommended to seek your own financial and legal advice, including as to any tax consequences, immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial or legal adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee or intermediary must contact such entity if it wishes to tender Notes in the Tender Offer. None of the Dealer Managers, the Tender and Information

Agent or the Company or any of their respective affiliates makes any recommendation as to whether Holders should participate in the Tender Offer. The Dealer Managers and their relevant affiliates are acting exclusively for the Company and for no one else in connection with the Tender Offer and will not be responsible to anyone other than the Company for providing the protections afforded to the customers of such Dealer Managers or their affiliates or for providing advice in relation to the Tender Offer or any transaction or arrangement referred to herein.

OFFER AND DISTRIBUTION RESTRICTIONS

NEITHER THE OFFER TO PURCHASE, THIS ANNOUNCEMENT NOR ANY RELATED DOCUMENT HAS BEEN FILED WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION, NOR HAS ANY SUCH DOCUMENT BEEN FILED WITH OR REVIEWED BY ANY U.S. STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY OF AUSTRIA, SOUTH AFRICA, ITALY, THE UNITED KINGDOM OR ANY OTHER COUNTRY. NO AUTHORITY HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THE OFFER TO PURCHASE, THIS ANNOUNCEMENT OR ANY RELATED DOCUMENTS, AND IT IS UNLAWFUL AND MAY BE A CRIMINAL OFFENCE TO MAKE ANY REPRESENTATION TO THE CONTRARY.

THE DISTRIBUTION OF THE OFFER TO PURCHASE OR THIS ANNOUNCEMENT IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW. PERSONS INTO WHOSE POSSESSION THE OFFER TO PURCHASE COMES ARE REQUIRED BY THE COMPANY, THE DEALER MANAGERS AND THE TENDER AND INFORMATION AGENT TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.

This announcement, the Offer to Purchase, the Letter of Transmittal and any other materials or advertisements in connection with the Tender Offer may not be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of such jurisdiction. In those jurisdictions where the securities, blue sky or other laws require the Tender Offer to be made by a licensed broker or dealer, and any of the Dealer Managers or any of their respective affiliates is such a licensed broker or dealer in such jurisdictions, the Tender Offer shall be deemed to be made by such Dealer Manager or such affiliate (as the case may be) on behalf of PE Paper in such jurisdictions. Persons into whose possession this document comes are advised to inform themselves about and to observe any restrictions relating to the Tender Offer and the distribution of this announcement, the Offer to Purchase, the Letter of Transmittal and any other related materials.

Austria. Neither this announcement, the Offer to Purchase nor any other documents or materials relating to the Tender Offer are subject to the Austrian Capital Markets Act (Kapitalmarktgesetz) and have not been submitted to or will be submitted for approval or registration with the Austrian Financial Market Authority (Finanzmarktaufsichtsbehörde). Accordingly, this announcement and the Offer to Purchase have not been and will not be approved by the Austrian Financial Market Authority or any other regulatory body in Austria. The Dealer Managers will not hold any physical meetings in Austria with Holders in connection with the Tender Offer.

Italy. None of this announcement, the Tender Offer, the Offer to Purchase and any other documents and materials relating to the Tender Offer have been or will be submitted to the clearance procedure of the Commissione Nazionale per le Società e la Borsa (“CONSOB”) pursuant to Italian laws and regulations. In Italy, the Tender Offer is carried out as an exempted offer under Article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the “Financial Services Act”, and Article 35-bis, paragraphs 3 and 4, letter b) of the CONSOB Regulation No. 11971 of May 14, 1999, as amended (the “Regulation on Issuers”). The Tender Offer is also being carried out in compliance with article 35-bis, paragraph 7, letter a) of the Issuers’ Regulation. Accordingly, a Holder of Notes that is located in Italy can participate in the Tender Offer only if (i) the Notes tendered by it have a nominal value or an aggregate nominal amount equal to or greater than €50,000 or if (ii) it qualifies as qualified investor (investitore qualificato), as defined pursuant to Article 100 of the Financial Services Act and Article 34-ter, paragraph 1, letter b) of the Regulation on Issuers (“Eligible Investors”); otherwise Holders of Notes located in Italy may not participate in the Tender Offer and neither this announcement, the Offer to Purchase nor any other documents or materials relating to the Tender Offer may be distributed or otherwise made available to them as part of the Tender Offer. The Tender Offer cannot be extended, nor may copies of this announcement, the Offer to Purchase or any other document relating to the Tender Offer or the Notes be distributed, mailed or otherwise forwarded, or sent, to the public in Italy, whether by mail or by any means or other instrument (including, without limitation, telephonically or electronically) or any facility of a national securities exchange available in Italy, other than to Eligible Investors. Persons receiving this announcement and the Offer to Purchase must not forward, distribute or send it in or into or from Italy. Holders or beneficial owners of the Notes that qualify as Eligible Investors can tender the Notes through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority. Each intermediary must comply with the applicable laws and regulations concerning information duties vis-à-vis its clients in connection with the Notes or the Tender Offer.

South Africa. Pursuant to South African Exchange Control regulations, no Notes were offered or sold to prospective investors in South Africa. Accordingly, the Tender Offer is not being made to any person resident or located in South Africa. Holders are hereby notified that, to the extent such Holders are persons resident or located in South Africa, the Offer is not available to them and they may not tender Notes pursuant to the Offer and, as such, any acceptance of Notes tendered by such persons shall be ineffective and void, and neither this announcement, the Offer to Purchase, the Letter of Transmittal nor any other offering material relating to the Offer or the Notes may be distributed or made available in South Africa.

United Kingdom. The communication of this announcement, the Offer to Purchase and any other documents or materials relating to the Tender Offer is not being made, and such documents and materials have not been approved by, an authorized person for the purposes of section 21 of the Financial Services and Markets Act 2000. Accordingly, such documents and materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom, and are only for circulation to persons outside the United Kingdom or to persons within the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order")) or within Article 43(2) of the Order, or to other persons to whom it may lawfully be communicated in accordance with the Order.

This announcement, the Offer to Purchase and the Letter of Transmittal do not constitute an offer or solicitation to purchase Notes in any jurisdiction in which, or to, or from, any person to, or from, whom, it is unlawful to make such offer or solicitation under applicable securities or blue sky laws.

SIGNATURE

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.

Date: June 21, 2012

SAPPI LIMITED,

by /s/ L. Newman
Name: L. Newman
Title: Group Financial
Controller