

DONNELLEY R R & SONS CO  
Form PREM14A  
December 17, 2003  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 14A  
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT  
SCHEDULE 14A INFORMATION  
Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to § 240.14a-12

**R. R. Donnelley & Sons Company**

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(Name of Registrant as Specified in Its Charter)

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(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

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Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

Common shares of Moore Wallace Incorporated

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(2) Aggregate number of securities to which transaction applies:

158,037,148

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

\$16.78 - This is the average of the high and low sales prices reported on the New York Stock Exchange for Moore Wallace Incorporated common shares on December 10, 2003.

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(4) Proposed maximum aggregate value of transaction:

\$2,651,863,343.44

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(5) Total fee paid:

\$214,535.74

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Fee paid previously with preliminary materials:

.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2), and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number or the form or schedule and the date of its filing.

(1) Amount previously paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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**YOUR VOTE IS IMPORTANT**

To the shareholders of RR Donnelley

and to the shareholders, option holders

and restricted stock unit holders of Moore Wallace:

On behalf of the boards of directors and managements of both R.R. Donnelley & Sons Company and Moore Wallace Incorporated, we are pleased to deliver our joint management information circular and proxy statement for the proposed combination of RR Donnelley and Moore Wallace to be effected pursuant to a plan of arrangement under Section 192 of the Canada Business Corporations Act. We believe that this transaction is strategically and financially compelling, bringing together two of the industry's most established and highly regarded companies to create a dynamic new business platform. We believe that the combined company will have the scale and financial strength to compete and grow successfully into the future.

On November 8, 2003, RR Donnelley and Moore Wallace entered into a combination agreement providing for the combination. Pursuant to the proposed transaction, and subject to receiving all required approvals and meeting all other conditions to the closing of the transaction, a subsidiary of RR Donnelley will acquire all of the outstanding Moore Wallace common shares. If the combination is completed, Moore Wallace shareholders will receive 0.63 of a share of RR Donnelley common stock for each Moore Wallace common share and cash in lieu of a fractional share of RR Donnelley common stock.

On November 7, 2003, which was the last trading day prior to the announcement of the execution of the combination agreement, the closing price of shares of RR Donnelley common stock on the New York Stock Exchange, where they are traded under the symbol DNY, was U.S.\$28.03 per share, and the closing price of Moore Wallace common shares on the New York Stock Exchange, where they are traded under the symbol MWI, was U.S.\$15.25 per share. Based upon this RR Donnelley common stock closing price, the value of the RR Donnelley common stock to be received for each Moore Wallace common share in the transaction would have been U.S.\$17.66. On ●, 2004, the per share closing prices of RR Donnelley common stock and Moore Wallace common shares were U.S.\$● and U.S.\$●, respectively. Based upon this RR Donnelley common stock closing price, the value of the RR Donnelley common stock to be received for each Moore Wallace common share in the transaction would have been U.S.\$●. Under the combination agreement and plan of arrangement, the exchange ratio is fixed at 0.63 and will not be changed to reflect fluctuations in the market price of the shares of either company. RR Donnelley shareholders will continue to own their existing shares of RR Donnelley common stock.

**For a discussion of certain U.S. federal income and estate tax and Canadian federal income tax consequences of the exchange of Moore Wallace common shares in the transaction and of the ownership of shares of RR Donnelley common stock received in exchange for Moore Wallace common shares, see Taxation beginning on page 106 of this joint management information circular and proxy statement.**

The joint management information circular and proxy statement attached to this letter contains detailed information concerning RR Donnelley, Moore Wallace and the proposed combination and a more thorough explanation of the views of the RR Donnelley board of directors and the Moore Wallace board of directors regarding the proposed combination. PLEASE READ THIS DOCUMENT CAREFULLY, INCLUDING THE SECTION ENTITLED RISK FACTORS BEGINNING ON PAGE 37, WHICH DESCRIBES SOME OF THE RISKS THAT YOU

SHOULD CONSIDER IN EVALUATING THE TRANSACTION.

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RR Donnelley is asking its shareholders to approve the issuance of shares of RR Donnelley common stock as contemplated by the combination agreement and plan of arrangement (which we refer to as the RR Donnelley share issuance proposal) and to adopt the RR Donnelley 2004 Performance Incentive Plan (which we refer to as the performance incentive plan proposal). **The RR Donnelley board of directors unanimously recommends that RR Donnelley shareholders vote FOR the RR Donnelley share issuance proposal and FOR the performance incentive plan proposal.**

Accordingly, RR Donnelley shareholders are cordially invited to attend a special meeting of shareholders of RR Donnelley for the purpose of considering and voting on the RR Donnelley share issuance proposal and the performance incentive plan proposal, to be held on •, •, 2004 at [10:00 a.m.] local time at [Bank One Auditorium, One Bank One Plaza (at Dearborn and Madison Streets), Chicago, Illinois 60602].

Moore Wallace is asking its shareholders, option holders and restricted stock unit holders (whom we collectively refer to as Moore Wallace securityholders) to pass, with or without variation, a special resolution to approve an arrangement under Section 192 of the Canada Business Corporations Act involving the indirect acquisition by RR Donnelley of all of the outstanding common shares of Moore Wallace (which we refer to as the arrangement resolution). **The Moore Wallace board of directors unanimously recommends that Moore Wallace securityholders vote FOR the arrangement resolution.**

Moore Wallace is also asking its shareholders to consider and vote on a proposal to approve the issuance of Moore Wallace common shares in lieu of the payment of cash in connection with Moore Wallace's acquisition of Payment Processing Solutions, Inc., which Moore Wallace acquired on • (which we refer to as the Moore Wallace share issuance proposal).

Accordingly, Moore Wallace securityholders are cordially invited to attend a special meeting of securityholders of Moore Wallace for the purpose of considering and voting on the arrangement resolution and the Moore Wallace share issuance proposal, to be held on •, •, 2004 at [11:00 a.m.] local time at •.

We cannot complete the transaction unless RR Donnelley shareholders approve the RR Donnelley share issuance proposal and Moore Wallace securityholders approve the arrangement resolution. We encourage you to read the joint management information circular and proxy statement, which includes important information about RR Donnelley, Moore Wallace, the transaction and the proposals related to the transaction. Your vote is important. **Whether or not you plan to attend the RR Donnelley special meeting or the Moore Wallace special meeting, please take the time to vote by completing and mailing the enclosed proxy card promptly. If you are an RR Donnelley shareholder, you may also vote your shares over the Internet or by telephone according to the instructions on the proxy card.**

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William L. Davis

Chairman, President and Chief Executive Officer

R.R. Donnelley & Sons Company

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Mark A. Angelson

Chief Executive Officer

Moore Wallace Incorporated

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This joint management information circular and proxy statement is dated •, 2004 and is first being mailed to RR Donnelley shareholders and Moore Wallace securityholders on or about •, 2004.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS JOINT MANAGEMENT INFORMATION CIRCULAR AND PROXY STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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**R.R. DONNELLEY & SONS COMPANY**

**77 West Wacker Drive**

**Chicago, Illinois 60601**

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**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS OF**

**R.R. DONNELLEY & SONS COMPANY**

**TO BE HELD ON [DAY OF THE WEEK], •, 2004**

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To the Shareholders of

R.R. DONNELLEY & SONS COMPANY:

Notice is hereby given that a special meeting of shareholders of R.R. Donnelley & Sons Company, a Delaware corporation, will be held at [10:00 a.m.], local time at [Bank One Auditorium, One Bank One Plaza (at Dearborn and Madison Streets), Chicago, Illinois 60602] on •, •, 2004, for the following purposes:

(i) To consider and vote on a proposal to approve the issuance of shares of RR Donnelley common stock as contemplated by the Combination Agreement, dated as of November 8, 2003, between RR Donnelley and Moore Wallace Incorporated and the Plan of Arrangement under Section 192 of the Canada Business Corporations Act involving RR Donnelley and Moore Wallace (copies of the combination agreement and the form of plan of arrangement are attached as Annex B and Annex C, respectively, to the joint management information circular and proxy statement accompanying this notice);

(ii) To consider and vote on the adoption of a new performance incentive plan (a copy of which is attached as Annex H to the joint management information circular and proxy statement accompanying this notice) to replace RR Donnelley's 2000 Stock Incentive Plan; and

(iii) To transact any other business as may properly come before the special meeting or any adjournment or postponement of the special meeting.

The RR Donnelley board of directors has fixed the close of business on •, 2004 as the record date for the determination of shareholders entitled to notice of, and to vote at, the special meeting and at any adjournment or postponement thereof. Your vote at the special meeting is important.

By Order of the Board of Directors,

---

Monica M. Fohrman

Senior Vice President, General Counsel and Secretary

Chicago, Illinois

•, 2004

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**MOORE WALLACE INCORPORATED**

**6100 Vipond Drive**

**Mississauga, Ontario L5T 2X1, Canada**

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**NOTICE OF SPECIAL MEETING OF SECURITYHOLDERS OF**

**MOORE WALLACE INCORPORATED**

**TO BE HELD ON [DAY OF THE WEEK], •, 2004**

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To the Securityholders of

MOORE WALLACE INCORPORATED:

Notice is hereby given that a special meeting of the holders of common shares, options and restricted stock units (whom we refer to as securityholders) of Moore Wallace Incorporated, a corporation continued under the laws of Canada, will be held at [11:00 a.m.], local time at •, on •, •, 2004, for the following purposes:

- (i) For securityholders to consider pursuant to an order of the Ontario Superior Court of Justice dated •, 2004 and, if deemed advisable, to pass, with or without variation, a special resolution to approve an arrangement under Section 192 of the Canada Business Corporations Act involving the indirect acquisition by R.R. Donnelley & Sons Company of all of the outstanding common shares of Moore Wallace, all as more particularly described in the accompanying joint management information circular and proxy statement (the full text of the special resolution is set forth in Annex A to the joint management information circular and proxy statement accompanying this notice);
  
- (ii) For the holders of common shares to consider and vote on a proposal to approve the issuance of Moore Wallace common shares in lieu of the payment of cash in connection with Moore Wallace's acquisition of Payment Processing Solutions, Inc., which Moore Wallace acquired on •, •, 2004; and
  
- (iii) For the holders of common shares to transact such further or any other business as may properly come before the special meeting or any adjournment or postponement thereof.

The Moore Wallace board of directors has fixed the close of business on •, 2004 as the record date for the determination of securityholders entitled to notice of, and to vote at, the special meeting and at any adjournment or postponement thereof. Your vote at the special meeting is

important.

By Order of the Board of Directors,

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Theodore J. Theophilos

Executive Vice President, Business & Legal

Affairs, and Secretary

Mississauga, Ontario, Canada

•, 2004

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**QUESTIONS AND ANSWERS ABOUT THE TRANSACTION AND THE SPECIAL MEETINGS**

**General Questions and Answers**

**Q: What are RR Donnelley and Moore Wallace proposing?**

A: RR Donnelley and Moore Wallace are proposing to engage in a business combination pursuant to which RR Donnelley will acquire all of Moore Wallace's outstanding common shares and Moore Wallace will become an indirect, wholly owned subsidiary of RR Donnelley. The combination will be carried out pursuant to the combination agreement, dated as of November 8, 2003, between RR Donnelley and Moore Wallace (which we refer to in this document as the combination agreement) and a plan of arrangement involving Moore Wallace and RR Donnelley (which we refer to in this document as the plan of arrangement). The combination agreement and plan of arrangement provide that a direct, wholly owned subsidiary of RR Donnelley will acquire all of the outstanding Moore Wallace common shares (other than those held by Moore Wallace shareholders who properly exercise their dissent rights and are entitled to be paid the fair value of their Moore Wallace common shares and those held by RR Donnelley and its subsidiaries, which shares will be cancelled) in exchange for (1) shares of RR Donnelley common stock and (2) the corresponding percentage of rights to acquire shares of RR Donnelley Series A Preferred Stock (which we refer to in this document as RR Donnelley rights) issued pursuant to the Rights Agreement (which we refer to in this document as the rights agreement), dated as of April 25, 1996, between RR Donnelley and EquiServe Trust Company, N.A., as successor to First Chicago Trust Company of New York, as rights agent.

When the term "transaction" is used throughout this document, it means the transactions contemplated by the combination agreement and the plan of arrangement, pursuant to which, among other things, Moore Wallace will become an indirect, wholly owned subsidiary of RR Donnelley.

Unless otherwise indicated, all references in this document to shares of RR Donnelley common stock to be received in the transaction include the associated RR Donnelley rights.

**Q: Why are RR Donnelley and Moore Wallace proposing to combine?**

A: RR Donnelley and Moore Wallace are proposing to combine because RR Donnelley and Moore Wallace each believes that a combination of the two companies will enable the combined company to benefit from a comprehensive suite of products to offer to its broader customer base as well as to create a more diversified manufacturing platform from which to grow.

**Q: Why am I receiving this document and proxy card or form of proxy?**

A: You are receiving this document and proxy card or form of proxy because you own shares of RR Donnelley common stock, Moore Wallace common shares (including Moore Wallace restricted shares, which for purposes of this document are treated as common shares), options to purchase Moore Wallace common shares or Moore Wallace restricted stock units.

**Q: What will holders of Moore Wallace common shares receive in the transaction?**

A: In the transaction, the holders of outstanding common shares of Moore Wallace (other than holders who properly exercise their dissent rights and become entitled to be paid the fair value of their Moore Wallace common shares and RR Donnelley and its subsidiaries, all of whose shares will be cancelled) will receive 0.63 of a share of RR Donnelley common stock as consideration for each Moore Wallace common share.

RR Donnelley will not issue any fractional shares in connection with the transaction. Rather than receive a fractional share of RR Donnelley common stock, a Moore Wallace shareholder will receive a cash payment equal to the product of the fractional interest and the closing price per share of RR Donnelley common stock on the New York Stock Exchange on the business day immediately prior to the effective date of the transaction (which we refer to in this document as the effective date).

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Moore Wallace shareholders who properly exercise their dissent rights will be entitled to be paid the fair value of their Moore Wallace common shares in accordance with the interim order issued by the Ontario Superior Court of Justice.

### **Q: How will the transaction affect options to acquire Moore Wallace common shares?**

A: Each option to purchase common shares of Moore Wallace will be exchanged for or converted into a replacement option to purchase a number of shares of RR Donnelley common stock equal to the product of the exchange ratio of 0.63 multiplied by the number of Moore Wallace common shares subject to the Moore Wallace option, rounded down to the next whole number of shares of RR Donnelley common stock. Generally, the exercise price of the replacement option (1) for a Moore Wallace option denominated in U.S. dollars will be equal to the applicable exercise price divided by the 0.63 exchange ratio and (2) for a Moore Wallace option denominated in Canadian dollars will be equal to the applicable exercise price divided by the 0.63 exchange ratio divided by the currency exchange rate for U.S. dollars expressed in Canadian dollars on the effective date.

Outstanding options to purchase Moore Wallace common shares will (unless waived) immediately vest upon completion of the transaction. However, the term to expiration, conditions to and manner of exercising the replacement options and all other terms and conditions of such replacement options will otherwise be unchanged from those of the Moore Wallace options for which they were exchanged. Any document or agreement previously evidencing Moore Wallace options will thereafter evidence and be deemed to evidence options to purchase shares of RR Donnelley common stock.

### **Q: How will the transaction affect Moore Wallace restricted stock units?**

A: Generally, each Moore Wallace restricted stock unit will be deemed to be exchanged for or converted into a replacement RR Donnelley restricted stock unit to acquire or receive that number of shares of RR Donnelley common stock equal to the number of Moore Wallace common shares that would have been deliverable upon vesting of the restricted stock unit multiplied by the exchange ratio of 0.63, rounded down to the next whole number of shares of RR Donnelley common stock. The replacement restricted stock units will otherwise be subject to the same terms and conditions applicable to the Moore Wallace restricted stock units under the relevant Moore Wallace share plan. Any document or agreement previously evidencing Moore Wallace restricted stock units will be deemed to evidence replacement restricted stock units.

### **Q: Will Moore Wallace shareholders be able to trade the shares of RR Donnelley common stock that they receive in the transaction?**

A: Yes. Shares of RR Donnelley common stock are currently listed on the New York Stock Exchange, the Chicago Stock Exchange and the Pacific Exchange, and the shares of RR Donnelley common stock that will be issued in connection with the transaction will be listed on such exchanges. In addition, it is a condition to the completion of the transaction that shares of RR Donnelley common stock be listed on the Toronto Stock Exchange.

The shares of RR Donnelley common stock received in exchange for Moore Wallace common shares in the transaction will be freely transferable under United States federal securities laws, except for shares of RR Donnelley common stock held by persons who are deemed to be affiliates (as defined under the United States Securities Act of 1933, as amended (which we refer to in this document as the Securities Act)) (to whom we refer in this document as affiliates) of Moore Wallace prior to the transaction. However, RR Donnelley restricted shares received in exchange for Moore Wallace restricted shares that do not vest in connection with the transaction will remain subject to transfer restrictions

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until such restricted shares vest. In addition, shares of RR Donnelley common stock received in exchange for Moore Wallace common shares are not automatically freely transferable under the securities laws of certain provinces and territories of Canada. It is a condition to the closing of the transaction that the relevant Canadian securities regulatory authorities grant relief to permit the first resale of the shares of RR Donnelley common stock issued in the transaction by persons other than control

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persons (as such term is defined under Canadian federal, provincial and territorial securities laws) (to whom we refer in this document as control persons). See Transaction Mechanics Resale of RR Donnelley Common Stock Received in the Transaction beginning on page 90.

### **Q: What will happen to RR Donnelley common stock in the transaction?**

A: Nothing. Each share of RR Donnelley common stock outstanding will remain outstanding as a share of RR Donnelley common stock. Dissenters appraisal rights under the Delaware General Corporation Law (which we refer to in this document as the DGCL) are not available to RR Donnelley shareholders in connection with the transaction. See The Transaction Dissenting Shareholder Rights beginning on page 77.

### **Q: When do RR Donnelley and Moore Wallace expect to complete the transaction?**

A: RR Donnelley and Moore Wallace expect to complete the transaction in the first quarter of calendar year 2004. Because the transaction is subject to securityholder, governmental and regulatory approvals and other conditions, some of which are beyond the control of RR Donnelley and Moore Wallace, the exact timing of completion cannot be predicted. RR Donnelley and Moore Wallace are working to complete the transaction as soon as possible.

### **Q: Who will manage the combined company after the transaction?**

A: The combined company will initially have a 15-member board of directors that will include seven directors who currently serve on the Moore Wallace board and eight directors who currently serve on the RR Donnelley board. Mark A. Angelson, the current chief executive officer of Moore Wallace, will become chief executive officer of the combined company. Stephen M. Wolf, a current RR Donnelley director and the current chairman of the finance committee of the RR Donnelley board of directors, will become non-executive chairman of the board of directors of the combined company.

### **Q: What is the role of the Canadian courts in the transaction?**

A: Under the Canada Business Corporations Act (which we refer to in this document as the CBCA), a Canadian court must approve the arrangement set out in the plan of arrangement. Prior to the mailing of this document, Moore Wallace obtained an interim order from the Ontario Superior Court of Justice providing for the calling and holding of the Moore Wallace special meeting and other procedural matters. If the Moore Wallace securityholders approve the arrangement resolution and the RR Donnelley shareholders approve the RR Donnelley share issuance proposal, the court will hold a hearing regarding a final order. The court will consider, among other things, the fairness and reasonableness of the arrangement. The court may approve the arrangement in any manner the court may direct, subject to compliance with such terms and conditions, if any, as the court deems fit.

## **RR Donnelley Shareholder Questions and Answers**

**Q: On what am I being asked to vote?**

A: RR Donnelley shareholders are being asked to approve the following proposals:

a proposal to approve the issuance of shares of RR Donnelley common stock as contemplated by the combination agreement and plan of arrangement, including the shares to be issued upon exercise of Moore Wallace options exchanged for or converted into RR Donnelley options and the shares to be issued upon the vesting of restricted stock units with respect to Moore Wallace common shares exchanged for or converted into replacement RR Donnelley restricted stock units (we refer to this proposal in this document as the RR Donnelley share issuance proposal); and

a proposal to adopt the RR Donnelley 2004 Performance Incentive Plan (which we refer to in this document as the 2004 Performance Incentive Plan), which will provide incentives to (i) officers, other

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employees and other persons who provide services to RR Donnelley through rewards based upon the ownership or performance of RR Donnelley common stock as well as other performance-based compensation and (ii) non-employee directors of RR Donnelley through the grant of equity-based awards (we refer to this proposal in this document as the performance incentive plan proposal).

Shareholder approval of the RR Donnelley share issuance proposal is not required by Delaware law or RR Donnelley's restated certificate of incorporation or by-laws, but is required by the rules of the New York Stock Exchange. Shareholder approval of the performance incentive plan proposal is required by the rules of the New York Stock Exchange and for awards under the 2004 Performance Incentive Plan to qualify as performance-based compensation for purposes of Section 162(m) of the United States Internal Revenue Code of 1986 (which we refer to in this document as the Internal Revenue Code).

### **Q: What vote is required to approve the RR Donnelley share issuance proposal and the performance incentive plan proposal?**

A: Each of the RR Donnelley share issuance proposal and the performance incentive plan proposal must be approved by a majority of the votes cast on the proposal, and the total vote cast on the proposal must represent over 50% of the shares of RR Donnelley common stock entitled to vote on the proposal. Each share of RR Donnelley common stock outstanding as of the record date is entitled to one vote on all matters to come before the RR Donnelley special meeting, including the RR Donnelley share issuance proposal and the performance incentive plan proposal. A majority of the outstanding shares of RR Donnelley common stock entitled to vote at the RR Donnelley special meeting, present in person or represented by proxy, will constitute a quorum for the transaction of business at the RR Donnelley special meeting.

### **Q: Who can vote?**

A: Only shareholders who hold shares of RR Donnelley common stock at the close of business on the record date, which is •, 2004, will be entitled to vote at the RR Donnelley special meeting. RR Donnelley common stock constitutes the only class of RR Donnelley capital stock entitled to vote at the RR Donnelley special meeting.

### **Q: How does the RR Donnelley board of directors recommend that I vote on the RR Donnelley share issuance proposal?**

A: The RR Donnelley board of directors unanimously recommends that you vote **FOR** approval of the RR Donnelley share issuance proposal.

### **Q: How does the RR Donnelley board of directors recommend that I vote on the performance incentive plan proposal?**

A: The RR Donnelley board of directors unanimously recommends that you vote **FOR** approval of the performance incentive plan proposal.

### **Q: How do I vote my shares of RR Donnelley common stock?**

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A: You should carefully read and consider the information contained in or incorporated by reference into this document, including the annexes. You should also determine whether you hold your shares of RR Donnelley common stock directly in your name as a registered shareholder or through a broker or other nominee, because this will determine the procedure that you must follow in order to vote. If you are a registered shareholder of RR Donnelley (that is, if you hold your RR Donnelley common stock in certificate form), you may vote in any of the following ways:

in person at the RR Donnelley special meeting complete and sign the enclosed proxy card and bring either the admission ticket attached to the proxy card or evidence of your stock ownership with you to

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the RR Donnelley special meeting (the ticket or evidence of your stock ownership will serve as your right to admission and your authorization to vote in person);

by mail complete, sign and date the enclosed proxy card and return it in the enclosed postage paid return envelope as soon as possible to R.R. Donnelley & Sons Company, c/o EquiServe Trust Company, N.A., P.O. Box 8250, Edison, New Jersey 08818-9086; or

by telephone or over the Internet follow the instructions included with your proxy card. The deadline for voting by telephone or over the Internet is midnight on ●, 2004.

The telephone and Internet voting procedures are designed to allow RR Donnelley shareholders to vote their shares and to confirm that their instructions have been properly recorded consistent with applicable law. Shareholders who wish to vote over the Internet should be aware that there may be costs associated with electronic access, such as usage charges from Internet access providers and telephone companies, and that there may be some risk that a shareholder's vote might not be properly recorded or counted because of an unanticipated electronic malfunction.

If you are a non-registered holder of shares of RR Donnelley common stock (which for purposes of this document means that your shares of RR Donnelley common stock are held in street name), you may vote in person if you obtain a broker's proxy card in your name from your broker or other nominee and either bring the admission ticket attached to the proxy card or evidence of your stock ownership from your broker or other nominee. Please contact your broker or other nominee to determine how to vote by mail and whether you will be able to vote by telephone or over the Internet.

If you hold RR Donnelley common stock as a participant in RR Donnelley's Stock Fund, Dividend Reinvestment Plan, Employee Monthly Investment Plan or Tax Credit Stock Ownership Plan, you may vote by using the enclosed proxy card or by telephone or over the Internet by following the instructions included on your proxy card. The deadline for voting by telephone or over the Internet is midnight on ●, 2004.

### **Q: What happens if I return my proxy card but don't indicate how to vote?**

A: If you properly return your proxy card, but do not include instructions on how to vote, your shares of RR Donnelley common stock will be voted **FOR** approval of the RR Donnelley share issuance proposal and **FOR** approval of the performance incentive plan proposal. RR Donnelley's management does not currently intend to bring any proposals to the RR Donnelley special meeting other than the RR Donnelley share issuance proposal and the performance incentive plan proposal and does not expect any shareholder proposals. If other proposals requiring a vote of shareholders are brought before the RR Donnelley special meeting in a proper manner, the persons named in the enclosed proxy card intend to vote the shares they represent in accordance with their best judgment.

### **Q: What happens if I abstain from voting on a proposal?**

A: If you return your proxy with instructions to abstain from voting on either proposal, your shares will be counted for purposes of determining whether a quorum is present at the RR Donnelley special meeting. An abstention with respect to a proposal has the legal effect of a vote **AGAINST** the proposal.

**Q: What happens if I don't return a proxy card or otherwise don't vote?**

A: Your failure to return your proxy card or otherwise vote (1) will mean that your shares will not be counted toward determining whether a quorum is present at the RR Donnelley special meeting, (2) will make it less likely that the requirement will be met that the total vote cast on each of the RR Donnelley share issuance proposal and the performance incentive plan proposal represents over 50% of the shares of RR Donnelley common stock entitled to vote on the proposal and (3) if you hold shares of RR Donnelley common stock as a participant in RR Donnelley's Stock Fund or Tax Credit Stock Ownership Plan, will result in a vote **AGAINST** the RR Donnelley share issuance proposal and the performance incentive plan proposal with respect to those shares.

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**Q: What does it mean if I receive more than one RR Donnelley proxy card?**

A: This means that you own shares of RR Donnelley common stock that are registered under different names. For example, you may own some shares directly as a shareholder of record and other shares through a broker, or you may own shares through more than one broker. In these situations, you will receive multiple sets of proxy materials. It is necessary for you to vote, sign and return all of the proxy cards or follow the instructions for any alternative voting procedure on each of the proxy cards you receive in order to vote all of the shares you own. Each proxy card you received came with its own prepaid return envelope. If you vote by mail, please make sure you return each proxy card in the return envelope that accompanied that proxy card.

**Q: Can I change my vote after I have voted?**

A: Yes. You can change your vote at any time before your shares are voted at the RR Donnelley special meeting. If you are a registered RR Donnelley shareholder, you can do this in any of the following ways:

by sending a written notice to the secretary of RR Donnelley at the address specified below stating that you would like to revoke your proxy;

by completing and submitting a new, later-dated proxy card by mail at the address specified below;

by voting by telephone after previously voting or submitting your proxy card;

by voting over the Internet after previously voting or submitting your proxy card; or

by attending the RR Donnelley special meeting and voting in person. Your attendance at the RR Donnelley special meeting alone will not revoke your proxy. You must also vote at the RR Donnelley special meeting in order to revoke your previously submitted proxy.

You should send any notice of revocation or your completed new, later-dated proxy card, as the case may be, to RR Donnelley at the following address:

R.R. Donnelley & Sons Company

c/o EquiServe Trust Company, N.A.

P.O. Box 8250

Edison, New Jersey 08818-9086

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If your shares are held in street name, you must contact your broker or other intermediary and follow the instructions provided to you in order to revoke your proxy.

**Q: If my broker holds my shares in street name, will my broker vote my shares for me?**

A: No. Your broker will not be able to vote your shares of RR Donnelley common stock unless you have properly instructed your broker on how to vote. If you do not provide your broker with voting instructions, your shares may be considered present at the RR Donnelley special meeting for purposes of determining a quorum, but will not be considered to have been voted with respect to the RR Donnelley share issuance proposal or the performance incentive plan proposal. Therefore, it will make it less likely that the requirement will be met that the total vote cast on the RR Donnelley share issuance proposal and the performance incentive plan proposal represents over 50% of the shares of RR Donnelley common stock entitled to vote on each proposal. If you have instructed a broker to vote your shares and wish to change your vote, you must follow directions received from your broker to change those instructions.

**Q: Am I entitled to dissenters appraisal rights?**

A: No. Holders of RR Donnelley common stock do not have dissenters appraisal rights under the DGCL in connection with the actions to be taken at the RR Donnelley special meeting. See The Transaction Dissenting Shareholder Rights beginning on page 77.

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**Q: Are there risks I should consider in deciding whether to vote for the RR Donnelley share issuance proposal?**

A: Yes. A number of risk factors that you should consider in connection with the transaction are described in the section of this document entitled "Risk Factors" beginning on page 37.

**Q: What are the U.S. and Canadian federal income tax consequences of the transaction to a current holder of shares of RR Donnelley common stock?**

A: There are none. For a more detailed description of the U.S. and Canadian federal income tax consequences of the transaction, see "Taxation" beginning on page 106.

**Q: Who can help answer my questions about the transaction and the RR Donnelley special meeting?**

A: You may call the RR Donnelley Investor Relations Hotline at • with any questions you may have about the transaction or the RR Donnelley special meeting.

**Moore Wallace Securityholder Questions and Answers**

**Q: On what am I being asked to vote?**

A: Moore Wallace shareholders, option holders and restricted stock unit holders (whom we collectively refer to in this document as Moore Wallace securityholders) are being asked to consider, pursuant to an order of the Ontario Superior Court of Justice, and, if deemed advisable, to pass, with or without variation, a special resolution to approve an arrangement under Section 192 of the CBCA involving the acquisition by RR Donnelley of all of the outstanding Moore Wallace common shares (we refer to this special resolution in this document as the arrangement resolution). The full text of the arrangement resolution is set forth in Annex A to this document.

Moore Wallace shareholders are also being asked to consider and vote on a proposal to approve the issuance of Moore Wallace common shares in lieu of the payment of cash in connection with Moore Wallace's acquisition of Payment Processing Solutions, Inc. (which we refer to in this document as PPS), which Moore Wallace acquired on • (we refer to this proposal in this document as the Moore Wallace share issuance proposal).

Shareholder approval of the Moore Wallace share issuance proposal is not required by the CBCA or Moore Wallace's articles of continuance or by-laws, but is required by the rules of the New York Stock Exchange and is a condition to the listing on the Toronto Stock Exchange of the Moore Wallace common shares to be issued in connection with the Moore Wallace share issuance proposal.

**Q: Why am I being asked to vote on the Moore Wallace share issuance proposal?**

A: On •, Moore Wallace acquired PPS, a Tennessee-based provider of mortgage statement processing solutions to the financial services industry, for approximately \$92.5 million in cash and Moore Wallace common shares, including the repayment of PPS indebtedness. Under the terms of the PPS acquisition agreement, the majority shareholders of PPS had a right to defer receipt of some of the cash consideration owed to them in connection with the sale and request that Moore Wallace seek the approval of the Moore Wallace shareholders so that Moore Wallace may issue Moore Wallace common shares to such PPS shareholders instead of the cash consideration. The majority shareholders of PPS exercised their right to request a Moore Wallace shareholder vote to approve the payment of \$• of the consideration in Moore Wallace common shares in lieu of receiving that amount of cash otherwise owed to them. Therefore, the purpose of this proposal is to permit Moore Wallace to issue \$• in new Moore Wallace common shares to the majority shareholders of PPS as consideration in connection with the acquisition of PPS. Moore Wallace shareholders are not being asked to approve the acquisition of PPS. PPS has already been acquired and is now an indirect, wholly owned subsidiary of Moore Wallace.

The Moore Wallace share issuance proposal is unrelated to Moore Wallace's transaction with RR Donnelley. If the Moore Wallace share issuance proposal is not approved, then, shortly after the

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Moore Wallace special meeting, Moore Wallace will pay \$• in cash without interest to the majority shareholders of PPS. If the proposal is approved, Moore Wallace expects to issue the Moore Wallace common shares to the majority shareholders of PPS prior to the completion of the transaction with RR Donnelley.

### **Q: What vote is required to approve the arrangement resolution and the Moore Wallace share issuance proposal?**

A: Pursuant to the interim order issued by the Ontario Superior Court of Justice, in order to approve the arrangement resolution, at least two-thirds of the votes cast, in person or by proxy, on the arrangement resolution at the Moore Wallace special meeting by Moore Wallace securityholders, voting together as a class, must be in favor of the arrangement resolution. The rules of the New York Stock Exchange require that the Moore Wallace share issuance proposal be approved by a majority of the votes cast on the proposal and that the total votes cast on the proposal represent over 50% of the Moore Wallace common shares entitled to vote. Voting rights are as follows:

each holder of Moore Wallace common shares outstanding as of the record date is entitled to one vote per share held on all matters to come before the Moore Wallace special meeting, including the arrangement resolution and the Moore Wallace share issuance proposal;

each holder of Moore Wallace options as of the record date is entitled to one vote on the arrangement resolution for each Moore Wallace common share that would be received on a valid exercise of that holder's Moore Wallace options regardless of whether they are presently exercisable as of the record date; and

each holder of Moore Wallace restricted stock units as of the record date is entitled to one vote on the arrangement resolution for each Moore Wallace common share that would be deliverable upon vesting of that holder's Moore Wallace restricted stock units.

As of the record date, • Moore Wallace common shares were outstanding; options to purchase • Moore Wallace common shares were outstanding; and • Moore Wallace restricted stock units were outstanding. At least two persons present in person and entitled to vote at the Moore Wallace special meeting will constitute a quorum for the transaction of business at the Moore Wallace special meeting.

### **Q: Who can vote?**

A: Only Moore Wallace securityholders will be entitled to vote on the arrangement resolution at the Moore Wallace special meeting. Only Moore Wallace shareholders will be entitled to vote on the Moore Wallace share issuance proposal at the Moore Wallace special meeting. Only Moore Wallace shareholders whose names have been entered on the register of Moore Wallace at the close of business on •, 2004, the record date for the Moore Wallace special meeting, and holders of Moore Wallace options and Moore Wallace restricted stock units at the close of business on the record date will be entitled to receive notice of and vote at the Moore Wallace special meeting. Beneficial owners as of the record date who hold their shares in street name will receive instructions from their broker or other intermediary describing how to vote their shares.

The Moore Wallace common shares, Moore Wallace options and Moore Wallace restricted stock units constitute the only securities entitled to vote at the Moore Wallace special meeting.

**Q: How does the Moore Wallace board of directors recommend that I vote on the arrangement resolution and the Moore Wallace share issuance proposal?**

A: The Moore Wallace board of directors

unanimously recommends that you vote **FOR** approval of the arrangement resolution; and

is not taking a position, and is not making any recommendation, regarding how Moore Wallace shareholders should vote in connection with the Moore Wallace share issuance proposal.

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### **Q: How do I vote on the arrangement resolution and the Moore Wallace share issuance proposal?**

A: You should carefully read and consider the information contained in or incorporated by reference into this document, including the annexes. You should also determine whether you hold your Moore Wallace common shares directly in your name as a registered shareholder or through a broker or other intermediary because this will determine the procedure that you must follow in order to vote. There are three forms of proxy: a yellow proxy applicable to Moore Wallace shareholders, a gray proxy applicable to Moore Wallace option holders and a blue proxy applicable to Moore Wallace restricted stock unit holders.

If you are a registered shareholder, please respond by completing, signing and dating your yellow proxy form and returning it in the enclosed postage paid return envelope as soon as possible to Moore Wallace Incorporated, c/o • so that your shares may be voted at the Moore Wallace special meeting. As a registered shareholder, you may also attend the Moore Wallace special meeting in person and vote at the Moore Wallace special meeting. If you are a non-registered holder of Moore Wallace common shares (which for purposes of this document means that your Moore Wallace common shares are held in street name ), you should read the instructions that your broker or other intermediary sent you regarding how to vote with respect to your Moore Wallace common shares.

If you are a holder of Moore Wallace options, please respond by completing, signing and dating your gray proxy form and returning it in the enclosed postage paid return envelope as soon as possible to Moore Wallace Incorporated, c/o • so that your options may be voted at the Moore Wallace special meeting.

If you are a holder of Moore Wallace restricted stock units, please respond by completing, signing and dating your blue proxy form and returning it in the enclosed postage paid return envelope as soon as possible to Moore Wallace Incorporated, c/o • so that your restricted stock units may be voted at the Moore Wallace special meeting.

### **Q: What happens if I return my form of proxy but don't indicate how to vote?**

A: If you properly return your form of proxy, but do not include instructions on how to vote, your securities will be voted **FOR** approval of the arrangement resolution and in accordance with management's recommendation with respect to amendments or variations of the matters described in the notice of the Moore Wallace special meeting and any other matters that may properly come before the Moore Wallace special meeting, but your securities will not be voted with respect to the Moore Wallace share issuance proposal.

### **Q: What happens if I don't return a form of proxy or otherwise don't vote?**

A: Your failure to return your form of proxy or otherwise vote will make it less likely that the requirement will be met that the total vote cast on the Moore Wallace share issuance proposal represents over 50% of the Moore Wallace common shares entitled to vote on the Moore Wallace share issuance proposal.

### **Q: What does it mean if I receive more than one Moore Wallace proxy form?**

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A: If you receive more than one yellow proxy form, it means that you own Moore Wallace common shares that are registered under different names. For example, you may own some shares directly as a shareholder of record and other shares through a broker, or you may own shares through more than one broker. In these situations, you will receive multiple sets of proxy materials.

If you receive proxy forms of different colors, it means that you hold Moore Wallace common shares and/or Moore Wallace options and/or Moore Wallace restricted stock units. Yellow proxies are for use by holders of Moore Wallace common shares; gray proxies are for use by holders of Moore Wallace options; and blue proxies are for use by holders of Moore Wallace restricted stock units.

It is necessary for you to vote, sign and return all of the proxy forms or follow the instructions for any alternative voting procedure on each of the proxy forms you receive in order to vote all of the securities you own.

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Each proxy form you received came with its own prepaid return envelope. If you vote by mail, please make sure you return each proxy form in the return envelope that accompanied that proxy form.

### **Q: Can I change my vote after I have mailed my signed proxy form?**

A: Yes. If you are a registered holder of Moore Wallace common shares or a holder of Moore Wallace options or Moore Wallace restricted stock units, you can change your vote by attending the Moore Wallace special meeting and voting in person. Your attendance at the Moore Wallace special meeting alone will not revoke your proxy. You must also vote at the Moore Wallace special meeting in order to revoke your previously submitted proxy. You can also change your vote no later than 5:00 p.m. (Toronto time) on the business day immediately preceding the Moore Wallace special meeting. You can do this by sending a written notice, signed by you or your attorney authorized in writing, to Moore Wallace at the address specified below stating that you would like to revoke your proxy or by completing and submitting a new, later-dated proxy form by mail at the address specified below.

You should send any notice of revocation or your completed new proxy form, as the case may be, to Moore Wallace at the following address:

Moore Wallace Incorporated

c/o •

You may also revoke your proxy by delivering a written notice signed by you or your attorney authorized in writing to the chairman of the Moore Wallace special meeting at the Moore Wallace special meeting.

If your Moore Wallace common shares are held in street name, you must contact your broker or other intermediary and follow the instructions provided to you in order to revoke your proxy.

### **Q: Can I vote by telephone or over the Internet?**

A. No.

### **Q: If my broker holds my shares in street name, will my broker vote my shares for me?**

A: No. Your broker or other intermediary will not be able to vote your Moore Wallace common shares without instructions from you. If you have received this document from your broker or another intermediary, please complete and return the proxy or other authorization form provided to you by your broker or other intermediary in accordance with the instructions provided to you in order to have your shares properly voted. If you have instructed a broker to vote your shares and wish to change your vote, you must follow directions received from your broker to

change those instructions.

**Q: Should I send in my share certificates now?**

A: No. After the transaction is approved and completed, RR Donnelley will send Moore Wallace shareholders instructions for exchanging their Moore Wallace share certificates for RR Donnelley stock certificates.

**Q: Am I entitled to dissent rights with respect to the transaction?**

A: Yes, if you are a registered holder of Moore Wallace common shares. No, if you are a non-registered holder of Moore Wallace common shares or a holder of Moore Wallace options or restricted stock units. If the transaction is completed, Moore Wallace registered shareholders who properly exercise their dissent rights pursuant to the interim order of the Ontario Superior Court of Justice dated •, 2004, which is attached to this document as Annex D, will be entitled to be paid the fair value of their Moore Wallace common shares. The dissent procedures require, among other things, that a Moore Wallace registered shareholder who wishes to dissent must provide to Moore Wallace a dissent notice not later than 5:00 p.m. (Toronto time) on the business day preceding the Moore Wallace special meeting. It is important that Moore Wallace registered shareholders strictly comply with this requirement, as it is different from the statutory dissent procedures of the CBCA that would otherwise permit a dissent notice to be provided at or prior to the Moore Wallace special meeting. Failure to strictly comply

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with dissent procedures may result in the loss or unavailability of your dissent rights. If you are a non-registered holder of Moore Wallace common shares and wish to dissent, you should immediately contact your broker or other intermediary and either instruct your broker or other intermediary to exercise the right to dissent on your behalf or instruct the broker or other intermediary to re-register the Moore Wallace common shares in your name and then exercise the right to dissent yourself. For information on how non-registered shareholders may effectively exercise dissent rights, see [The Transaction Dissenting Shareholder Rights](#) beginning on page 77.

**Q: Are there risks I should consider in deciding whether to vote for the arrangement resolution?**

A: Yes. A number of risk factors that you should consider in connection with the transaction are described in the section of this document entitled [Risk Factors](#) beginning on page 37.

**Q: What are the U.S. and Canadian federal income tax consequences of the transaction to a holder of Moore Wallace common shares?**

A: The U.S. federal income tax consequences of the transaction to a holder of Moore Wallace common shares will depend on whether the transaction qualifies as a [reorganization](#) for U.S. federal income tax purposes. It is a condition to the obligation of Moore Wallace to complete the transaction that Moore Wallace receive an opinion from Sullivan & Cromwell LLP, special counsel to Moore Wallace, to the effect that the acquisition of the Moore Wallace common shares pursuant to the combination agreement and the arrangement will qualify as a [reorganization](#) within the meaning of Section 368(a)(1)(B) of the Internal Revenue Code and that each of RR Donnelley and Moore Wallace will be a party to that reorganization within the meaning of Section 368(b) of the Internal Revenue Code. The opinion will be based, in part, on customary assumptions and written representations. Assuming the transaction qualifies as a [reorganization](#) within the meaning of Section 368(a)(1)(B) of the Internal Revenue Code, a holder of Moore Wallace common shares will not recognize any gain or loss for U.S. federal income tax purposes upon the exchange of the holder's Moore Wallace common shares for shares of RR Donnelley common stock pursuant to the transaction, except that gain or loss will be recognized on the receipt of cash in lieu of a fractional share of RR Donnelley common stock. For a more detailed description of the U.S. federal income tax consequences of the transaction, see [Taxation Certain U.S. Federal Income and Estate Tax Considerations U.S. Federal Income Tax Consequences of the Transaction](#) beginning on page 107.

For a discussion of certain U.S. federal income and estate tax consequences of owning shares of RR Donnelley common stock received in exchange for Moore Wallace common shares, see [Taxation Certain U.S. Federal Income and Estate Tax Considerations Certain U.S. Federal Income and Estate Tax Consequences of Owning RR Donnelley Common Stock](#) beginning on page 108. As described more fully under that heading, dividends paid to a non-U.S. holder of shares of RR Donnelley common stock generally will be subject to withholding of U.S. federal income tax at a rate of 30% (or such lower rate as may be specified by an applicable income tax treaty).

Subject to possible changes in the Canadian federal income tax rules, under the Income Tax Act (Canada) (which we refer to in this document as the Canada Tax Act), as a result of the transaction, a Canadian resident holder of Moore Wallace common shares (including restricted shares) will generally be required to recognize any gain or loss on the shares for Canadian federal income tax purposes. Shares of RR Donnelley common stock (excluding the RR Donnelley rights) will be qualified investments for, but will be foreign property to, registered retirement savings plans and similar tax deferred plans and will be foreign property for registered pension plans and other Canadian taxpayers who are subject to restrictions on the amount of foreign property that they may hold. RR Donnelley rights may not be considered to be a qualified investment. Generally, a holder of Moore Wallace common shares who is not resident in Canada will not be subject to Canadian income tax on any gain realized on such shares as a result of the transaction unless those shares constitute [taxable Canadian property](#) to the holder within the meaning of the Canada Tax Act and that gain is not otherwise exempt from Canadian federal income tax pursuant to an exemption contained in an applicable income tax treaty or convention. A holder of Moore Wallace common shares, whether resident in Canada or not, who exercises dissent rights and receives fair value for such holder's shares from Moore Wallace will, whether or not such



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shares have increased or decreased in value since the holder's acquisition of such shares, generally be deemed for Canadian income tax purposes to receive a dividend from Moore Wallace in the amount by which the amount paid by Moore Wallace exceeds the paid-up capital for Canadian income tax purposes of the Moore Wallace common shares. In the case of a holder who is not resident in Canada, such deemed dividend will be subject to Canadian withholding tax. For a more detailed discussion of the Canadian federal income tax consequences to holders of Moore Wallace common shares of the transaction and of owning shares of RR Donnelley common stock received in the transaction, see **Taxation Certain Canadian Federal Income Tax Considerations** beginning on page 110.

Holders of Moore Wallace common shares are urged to consult their tax advisors as to the specific tax consequences to them of the transaction, including the consequences of owning shares of RR Donnelley common stock received in the transaction. As discussed below, special U.S. federal income tax considerations may apply in the case of Moore Wallace restricted shares converted in the transaction.

**Q: What are the U.S. and Canadian federal income tax consequences of the transaction to holders of Moore Wallace options, restricted stock units and restricted shares?**

A: Holders of Moore Wallace options and restricted stock units will not recognize income for U.S. federal income tax purposes upon the conversion of such options and units into RR Donnelley options and RR Donnelley restricted stock units, respectively, in connection with the transaction. Notwithstanding the foregoing summary of the U.S. federal income tax consequences of the transaction to holders of Moore Wallace common shares, holders of Moore Wallace restricted shares who did not elect to be taxed at the time the restricted shares were granted will recognize compensation income for U.S. federal tax purposes (which will be subject to wage and social security tax withholding) (i) if the forfeiture conditions on the restricted shares lapse as a result of the transaction, in an amount equal to the excess of the fair market value of such shares at such time over the amount, if any, paid for such shares or (ii) if the forfeiture conditions do not lapse, in an amount equal to any cash payments received by them in lieu of any fractional interests in RR Donnelley restricted shares. Otherwise such holders of Moore Wallace restricted shares will not recognize income for U.S. federal tax purposes upon the conversion of such restricted shares into RR Donnelley restricted shares. See the discussion under **Taxation Certain U.S. Federal Income and Estate Tax Considerations U.S. Federal Income Tax Consequences of the Transaction** beginning on page 107. For a discussion of the U.S. federal income tax consequences of the exercise of RR Donnelley stock options or the payment of RR Donnelley restricted stock units or for a further discussion of the U.S. federal income tax consequences of the lapse of restrictions on RR Donnelley restricted shares, see **The Performance Incentive Plan Proposal U.S. Federal Income Tax Consequences** beginning on page 168.

Generally, holders of Moore Wallace options and restricted stock units who are (i) resident in Canada and who received such Moore Wallace options or restricted stock units in connection with their employment with Moore Wallace or a subsidiary of Moore Wallace or (ii) not resident in Canada but (a) generally subject to Canadian income tax with respect to employment benefits relating to Moore Wallace options and restricted stock units or (b) for whom the Moore Wallace options and restricted stock units are not taxable Canadian property within the meaning of the Canada Tax Act will not be required to report any income or gain for Canadian federal income tax purposes as a result of the conversion of their Moore Wallace options and restricted stock units into RR Donnelley options and restricted stock units, provided that under the terms of such Moore Wallace options or restricted stock units Moore Wallace can be required to sell or issue Moore Wallace common shares to the holder of such options or units. The Canadian federal income tax consequences of the transaction to a holder of Moore Wallace restricted shares is the same as for any other holder of Moore Wallace common shares (see the answer to the question immediately preceding this question). For a more detailed discussion of the Canadian federal income tax consequences of exchanging Moore Wallace options and restricted stock units for RR Donnelley options and restricted stock units, see **Taxation Certain Canadian Federal Income Tax Considerations** beginning on page 110.

**Q: Who can help answer my questions about the transaction and the Moore Wallace special meeting?**

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A: You may call • at • or the Moore Wallace Investor Relations department at (203) •, with any questions you may have about the transaction or the Moore Wallace special meeting.

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**SUMMARY**

*The following is only a summary of material information contained in this document. To understand the RR Donnelley share issuance proposal, performance incentive plan proposal, arrangement resolution and Moore Wallace share issuance proposal fully, you must review all the information in this document, along with the annexes and the information incorporated by reference. The combination agreement and the form of plan of arrangement, copies of which are attached as Annex B and Annex C to this document, form a part of this document. You should refer to the combination agreement and the form of plan of arrangement for a complete statement of the terms and conditions of the transaction.*

*Unless otherwise indicated, all dollar amounts in this document are expressed in U.S. dollars.*

*Moore Corporation Limited merged with Wallace Computer Services, Inc. (which we refer to in this document as WCS) as of May 15, 2003 and, in connection with the merger, Moore Corporation Limited changed its name to Moore Wallace Incorporated. All references in this document to Moore Wallace prior to the date of the merger mean Moore Corporation Limited.*

**The Companies Involved in the Proposed Transaction (page 44)**

R.R. Donnelley & Sons Company

77 West Wacker Drive

Chicago, Illinois 60601

(312) 326-8000

Internet address: [www.rrdonnelley.com](http://www.rrdonnelley.com)

RR Donnelley has a 139-year history as a printing industry leader. RR Donnelley prepares, produces and delivers integrated communications services across multiple channels for content owners, such as publishers, merchandisers and telecommunications companies as well as capital markets and diversified financial services companies. As a single source supplying services up and down the communications value chain, RR Donnelley excels in digital photography, content management, printing, online services and print and package logistics. With these integrated services, RR Donnelley provides effective solutions for its customers' targeted communications and delivery needs. Shares of RR Donnelley common stock are traded on the New York Stock Exchange, the Chicago Stock Exchange and the Pacific Exchange under the symbol DNY.

Moore Wallace Incorporated

6100 Vipond Drive

Mississauga, Ontario L5T 2X1

Canada

(905) 362-3100

Internet address: [www.moorewallace.com](http://www.moorewallace.com)

Moore Wallace is a leading single-source provider of print management and outsourced communications, delivering to its customers one of the widest arrays of products and services at one of the lowest total costs. Moore Wallace operates in three complementary business segments: Forms and Labels, Outsourcing and Commercial Print. The Forms and Labels business designs, manufactures and sells paper-based and electronic business forms and labels and provides electronic print management solutions. The Outsourcing business provides high-quality, high-volume, variably-imaged print and mail, electronic statement and database management services. The Commercial Print business produces high-quality, multi-color personalized business communications and provides direct marketing services, including project, database and list management services. Moore Wallace common shares are traded on the New York Stock Exchange and the Toronto Stock Exchange under the symbol MWI.

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**RR Donnelley Will Hold a Special Meeting of Its Shareholders to Approve the RR Donnelley Share Issuance Proposal and the Performance Incentive Plan Proposal (page 46)**

RR Donnelley will hold a special meeting of shareholders on •, •, 2004 at [10:00 a.m.], local time at [Bank One Auditorium, One Bank One Plaza (at Dearborn and Madison Street), Chicago, Illinois 60602]. At the RR Donnelley special meeting, RR Donnelley shareholders will be asked to consider and vote on the RR Donnelley share issuance proposal and the performance incentive plan proposal.

**Moore Wallace Will Hold a Special Meeting of Its Securityholders to Approve the Arrangement Resolution and the Moore Wallace Share Issuance Proposal (page 50)**

Moore Wallace will hold a special meeting of securityholders on •, •, 2004 at [11:00 a.m.], local time at •. At the Moore Wallace special meeting, Moore Wallace securityholders will be asked to consider pursuant to an order of the Ontario Superior Court of Justice dated •, 2004 and, if deemed advisable, to pass, with or without variation, the arrangement resolution, and Moore Wallace shareholders will be asked to consider and vote on the Moore Wallace share issuance proposal.

**RR Donnelley Shareholder and Moore Wallace Securityholder Approvals Will Be Required to Complete the Transaction (page 47 and page 50)**

*For RR Donnelley Shareholders:*

Each holder of RR Donnelley common stock as of the close of business on •, 2004 is entitled to one vote per share on any matter to be considered at the RR Donnelley special meeting. Each of the RR Donnelley share issuance proposal and the performance incentive plan proposal must be approved by a majority of votes cast on the proposal, and the total vote cast on the proposal must represent over 50% of the shares of RR Donnelley common stock entitled to vote on the proposal.

A majority of the outstanding shares of RR Donnelley entitled to vote at the RR Donnelley special meeting, present in person or represented by proxy, will constitute a quorum for the transaction of business at the RR Donnelley special meeting. Approval of the RR Donnelley share issuance proposal is a condition to the completion of the transaction.

On •, 2004, which is the record date for determining those RR Donnelley shareholders who are entitled to notice of, and to vote at, the RR Donnelley special meeting, directors and executive officers of RR Donnelley and their affiliates beneficially owned and had the right to vote • shares of RR Donnelley common stock, representing less than •% of the shares of RR Donnelley common stock outstanding on the record date. Although none of the members of the board of directors of RR Donnelley or its executive officers has executed voting agreements, based solely on discussions with its board of directors and executive officers, to RR Donnelley's knowledge, directors and executive officers of RR Donnelley intend to vote their common stock in favor of the RR Donnelley share issuance proposal and the performance incentive plan proposal.

*For Moore Wallace Securityholders:*

Pursuant to the interim order issued by the Ontario Superior Court of Justice, in order to approve the arrangement resolution, at least two-thirds of the votes cast on the arrangement resolution, in person or by proxy, at the Moore Wallace special meeting by Moore Wallace securityholders, voting together as a single class, must be in favor of the arrangement resolution. In order to approve the Moore Wallace share issuance proposal, the total number of votes cast on the proposal at the Moore Wallace special meeting must represent over 50% of the Moore Wallace common shares entitled to vote and a majority of the votes cast must vote in favor of the proposal.

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Voting rights are as follows:

each holder of Moore Wallace common shares (including Moore Wallace restricted shares, which for purposes of this document are treated as common shares) as of •, 2004 is entitled to one vote per share held on all matters to come before the Moore Wallace special meeting, including the arrangement resolution and the Moore Wallace share issuance proposal;

each holder of Moore Wallace options as of •, 2004 is entitled to one vote on the arrangement resolution for each Moore Wallace common share that would be received upon a valid exercise of that holder's Moore Wallace options regardless of whether they are presently exercisable as of •, 2004; and

each holder of Moore Wallace restricted stock units as of •, 2004 is entitled to one vote on the arrangement resolution for each Moore Wallace common share that would be deliverable upon vesting of that holder's Moore Wallace restricted stock units.

At least two persons present in person and entitled to vote at the Moore Wallace special meeting will constitute a quorum for the transaction of business at the Moore Wallace special meeting. Approval of the arrangement resolution is a condition to the completion of the transaction.

On •, 2004, which is the record date for determining those Moore Wallace securityholders who are entitled to vote at the Moore Wallace special meeting, directors and executive officers of Moore Wallace and their affiliates beneficially owned and had the right to vote • Moore Wallace securities, representing less than •% of the Moore Wallace securities outstanding on the record date. This includes • Moore Wallace common shares underlying options beneficially owned by Moore Wallace directors and executive officers and • Moore Wallace common shares deliverable on vesting of restricted stock units beneficially owned by Moore Wallace directors and executive officers. Although none of the members of the board of directors of Moore Wallace or its executive officers has executed voting agreements, based solely on discussions with its board of directors and executive officers, to Moore Wallace's knowledge, the directors and executive officers of Moore Wallace and their affiliates intend to vote their Moore Wallace securities in favor of the arrangement resolution.

### **Court Approval Will Be Required to Complete the Transaction (page 89)**

Under the CBCA, a Canadian court must approve the arrangement set out in the form of plan of arrangement. Prior to the mailing of this document, Moore Wallace obtained an interim order from the Ontario Superior Court of Justice providing for the calling and holding of the Moore Wallace special meeting and other procedural matters. If the Moore Wallace securityholders approve the arrangement resolution and the RR Donnelley shareholders approve the RR Donnelley share issuance proposal, the court will hold a hearing regarding a final order. The court will consider, among other things, the fairness and reasonableness of the arrangement. The court may approve the arrangement in any manner the court may direct, subject to compliance with such terms and conditions, if any, as the court deems fit. Subject to the approval of the arrangement resolution at the Moore Wallace special meeting and approval of the RR Donnelley share issuance proposal at the RR Donnelley special meeting, the hearing to obtain the final order of the Ontario Superior Court of Justice is scheduled to take place on or about •, 2004 at • a.m. (Toronto time) in room • at the Ontario court located at 393 University Avenue, Toronto, Ontario, Canada.

### **Moore Wallace Shareholders Will Receive 0.63 of a Share of RR Donnelley Common Stock for Each Moore Wallace Common Share They Hold (page 55)**

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Moore Wallace shareholders will receive 0.63 of a share of RR Donnelley common stock for each Moore Wallace common share they hold. RR Donnelley will not issue fractional shares pursuant to the transaction. As a result, the total number of shares of RR Donnelley common stock that each Moore Wallace

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shareholder will receive pursuant to the transaction will be rounded down to the nearest whole number, and each Moore Wallace shareholder will receive a cash payment for the remaining fraction of a share of RR Donnelley common stock that the Moore Wallace shareholder would otherwise receive, if any, based on the closing price per share of RR Donnelley common stock on the business day immediately before the effective date.

*Example: Assuming that the effective date is •, 2004 based on the closing price of shares of RR Donnelley common stock on the New York Stock Exchange on •, 2004 of \$•, if you currently own • Moore Wallace common shares, you would be entitled to receive • shares of RR Donnelley common stock and a check for \$• for the market value of • of a share of RR Donnelley common stock at the close of business on the business day immediately before the effective date.*

### **Upon the Completion of the Transaction, Moore Wallace Will Become an Indirect Wholly Owned Subsidiary of RR Donnelley (page 55)**

Under the terms of the combination agreement, Moore Wallace will apply under Section 192 of the CBCA for an order approving the arrangement on the terms and subject to the conditions set out in the form of plan of arrangement, pursuant to which a direct, wholly owned subsidiary of RR Donnelley will acquire all of the outstanding Moore Wallace common shares in exchange for shares of RR Donnelley common stock.

The combination agreement and the form of plan of arrangement are attached to this document as Annexes B and C, respectively. Please read the combination agreement and the form of plan of arrangement as they are the principal legal documents that govern the transaction.

### **Moore Wallace Shareholders Will Hold Approximately •% of the Shares of RR Donnelley Common Stock (page 86)**

Based on the number of Moore Wallace common shares outstanding on •, 2004, immediately following the completion of the transaction, former holders of Moore Wallace common shares will hold an aggregate of approximately • million shares of RR Donnelley common stock. Assuming that no Moore Wallace shareholders properly exercise their dissent rights and, therefore, all Moore Wallace common shares are exchanged for shares of RR Donnelley common stock and based upon the number of Moore Wallace common shares and shares of RR Donnelley common stock outstanding as of •, 2004, immediately following completion of the transaction, existing Moore Wallace shareholders will hold approximately •% of the outstanding shares of RR Donnelley common stock.

### **Recommendation to RR Donnelley Shareholders (page 58)**

After careful consideration, the RR Donnelley board of directors has unanimously determined that it is advisable and in the best interests of RR Donnelley shareholders to enter into the business combination with Moore Wallace provided for in the combination agreement, has unanimously approved the RR Donnelley share issuance proposal and the performance incentive plan proposal and unanimously recommends that RR Donnelley shareholders vote **FOR** approval of the RR Donnelley share issuance proposal and **FOR** approval of the performance incentive plan proposal.

**Opinion of RR Donnelley s Financial Advisor (page 61)**

Morgan Stanley & Co. Incorporated delivered its opinion to the RR Donnelley board of directors that, as of November 8, 2003 and based upon and subject to the assumptions, qualifications and limitations discussed in the opinion, the exchange ratio in the proposed transaction was fair, from a financial point of view, to RR Donnelley. The full text of Morgan Stanley s opinion, dated November 8, 2003, which discussed, among other things, the

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assumptions made, procedures followed, matters considered and qualifications and limitations of the review undertaken in connection with the opinion, is attached to this document as Annex E. RR Donnelley shareholders are urged to read the opinion in its entirety.

The Morgan Stanley opinion is directed to the RR Donnelley board of directors and addresses only the fairness, from a financial point of view, of the exchange ratio pursuant to the combination agreement to RR Donnelley as of the date of the opinion. The Morgan Stanley opinion does not constitute a recommendation to any RR Donnelley shareholder as to how to vote with respect to the RR Donnelley share issuance proposal, the performance incentive plan proposal or any other matter. RR Donnelley agreed to pay Morgan Stanley a transaction fee, the principal portion of which is payable upon completion of the transaction.

### **Recommendation to Moore Wallace Securityholders (page 67)**

The Moore Wallace board of directors

has unanimously determined that it is advisable and in the best interests of Moore Wallace securityholders to enter into the business combination with RR Donnelley provided for in the combination agreement, has unanimously approved the arrangement resolution and unanimously recommends that Moore Wallace securityholders vote **FOR** approval of the arrangement resolution; and

is not taking a position, and is not making any recommendation, regarding how Moore Wallace shareholders should vote in connection with the Moore Wallace share issuance proposal.

### **Opinion of Moore Wallace's Financial Advisor (page 69)**

On November 7, 2003, Goldman, Sachs & Co., financial advisor to Moore Wallace, orally delivered to the Moore Wallace board of directors its opinion, subsequently confirmed by delivery of a written opinion dated November 8, 2003, that, as of the date of the opinion, and based upon and subject to the factors and assumptions set forth in the opinion, the exchange ratio of 0.63 of a share of RR Donnelley common stock to be received for each Moore Wallace common share pursuant to the combination agreement was fair to the holders of Moore Wallace common shares from a financial point of view. The full text of the written opinion of Goldman Sachs, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached to this document as Annex F. Moore Wallace shareholders are urged to read the opinion in its entirety.

Goldman Sachs provided its opinion for the information and assistance of the Moore Wallace board of directors in connection with its consideration of the transaction. Goldman Sachs' opinion is not a recommendation as to how any Moore Wallace securityholder should vote with respect to the arrangement resolution. Moore Wallace agreed to pay Goldman Sachs a transaction fee, the principal portion of which is payable upon the completion of the transaction.

### **The Transaction and the Future Performance of RR Donnelley after the Completion of the Transaction are Subject to a Number of Risks (page 37)**

There are a number of risks related to the transaction, including the following:

we may be unable to integrate the operations of RR Donnelley and Moore Wallace successfully and may not achieve the cost savings and increased revenues anticipated for the combined company;

we will incur significant transaction, combination-related and restructuring costs in connection with the transaction, including an estimated \$• million of transaction costs;

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we may be unable to obtain the regulatory and court approvals required to complete the transaction or, in order to do so, the combined company may be required to comply with material restrictions or conditions;

charges to earnings resulting from the application of the purchase method of accounting may adversely affect the market value of RR Donnelley common stock following the transaction;

because the exchange ratio is fixed and the market price of RR Donnelley common stock may fluctuate, you cannot be certain of the dollar value of the consideration that Moore Wallace shareholders will receive in the transaction;

the market prices of RR Donnelley common stock and Moore Wallace common shares may be affected by different factors;

we may lose employees due to uncertainties associated with the transaction;

the rights of Moore Wallace shareholders will change when they become shareholders of RR Donnelley in connection with the transaction; and

Moore Wallace's directors and executive officers have interests in the transaction that may be different from, or in addition to, the interests of Moore Wallace securityholders generally, and these interests may have influenced their decision to pursue and approve the transaction.

Furthermore, there are a number of risks relating to the businesses of RR Donnelley, Moore Wallace and the combined company, including the following:

the business of the combined company will be subject to risks currently affecting the businesses of RR Donnelley and Moore Wallace;

there are risks associated with operations outside the United States and Canada;

the combined company will be exposed to significant risks related to potential adverse changes in currency exchange rates;

the highly competitive market for the combined company's products and industry consolidation will create adverse pricing pressures;

the substitution of electronic delivery for printed materials and the growth of the Internet may adversely affect our businesses; and

provisions of Delaware law and of RR Donnelley's restated certificate of incorporation and by-laws may make an unwelcome takeover of RR Donnelley difficult.

For a more complete discussion of these and other risk factors please see "Risk Factors" beginning on page 37.

**A Number of Conditions Must Be Satisfied or Waived to Complete the Transaction (page 97)**

RR Donnelley and Moore Wallace are obligated to complete the transaction only if several conditions are satisfied or waived. These conditions include:

obtaining the approval of RR Donnelley shareholders of the RR Donnelley share issuance proposal and Moore Wallace securityholders of the arrangement resolution;

obtaining the approval of the New York Stock Exchange for the issuance and listing of the shares of RR Donnelley common stock issuable pursuant to the transaction and obtaining the approval of the Toronto Stock Exchange for the listing of shares of RR Donnelley common stock on the Toronto Stock Exchange;

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obtaining the final order from the Ontario Superior Court of Justice;

obtaining all orders required from the applicable Canadian securities regulatory authorities to permit the issuance and first resale of shares of RR Donnelley common stock issued pursuant to the transaction;

holders of no more than 15% of the outstanding Moore Wallace common shares having exercised and not withdrawn their rights of dissent in connection with the transaction;

obtaining all material governmental consents or approvals required to complete the transaction, including (i) expiration or termination of the waiting period applicable to the completion of the transaction under the Hart-Scott-Rodino Antitrust Improvement Act of 1976, as amended (which we refer to in this document as the HSR Act), and (ii) receipt of necessary approvals and clearances under the Investment Canada Act and, if required, the Competition Act (Canada) (which we refer to in this document as the Competition Act);

no judicial or governmental order being in effect that would prevent or prohibit the completion of the transaction or other litigation being instituted that has a reasonable possibility of resulting in a material adverse effect to either RR Donnelley or Moore Wallace or preventing or materially delaying the economic integration of our businesses;

Mark A. Angelson being available to begin service as chief executive officer of RR Donnelley immediately following the effective time of the transaction (which we refer to in this document as the effective time) pursuant to the terms of the employment agreement between Mr. Angelson and RR Donnelley;

the representations and warranties of RR Donnelley and Moore Wallace being true and correct as of the date of closing;

RR Donnelley and Moore Wallace performing in all material respects all of their respective obligations required by the combination agreement at or prior to the closing date;

RR Donnelley and Moore Wallace obtaining any material consents or approvals required in connection with the transaction under any contract to which either is a party (or any of their subsidiaries is a party);

there not having been any effect, change or development that, individually or in the aggregate, has had, or would reasonably be likely to have, a material adverse effect on RR Donnelley or Moore Wallace;

Moore Wallace having received an opinion from Sullivan & Cromwell LLP, its special counsel, that the acquisition of the Moore Wallace common shares pursuant to the combination agreement and the arrangement will qualify as a reorganization within the meaning of Section 368(a)(1)(B) of the Internal Revenue Code; and

RR Donnelley having irrevocably taken all actions necessary so that (i) the composition of the board of directors of RR Donnelley and the committees of the board of directors of RR Donnelley and the chief executive officer and the non-executive chairman of the board of directors of RR Donnelley are as contemplated by the combination agreement and (ii) the by-laws of RR Donnelley have been amended in accordance with the combination agreement.

For a more complete discussion of these and other conditions that must be satisfied or waived, see *The Combination Agreement - Conditions to Completion of the Transaction* beginning on page 97.

**How the Combination Agreement May Be Terminated by RR Donnelley and Moore Wallace (page 100)**

RR Donnelley and Moore Wallace may mutually agree to terminate the combination agreement and abandon the transaction at any time before the effective time, whether before or after the approval of RR Donnelley shareholders or Moore Wallace securityholders.

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In addition, either party may decide, without the consent of the other, to terminate the combination agreement in a number of situations, including:

if the transaction has not been completed by June 30, 2004;

if the Moore Wallace securityholders' approval of the arrangement resolution is not obtained;

if the RR Donnelley shareholders' approval of the RR Donnelley share issuance proposal is not obtained;

if any order permanently restraining, enjoining or otherwise prohibiting completion of the transaction becomes final and non-appealable;

if the board of directors of the other party withdraws or adversely modifies its approval or fails to reconfirm its recommendation after a written request by the first party before the fifth business day prior to the date of the other party's special meeting;

if the other party breaches any of its representations, warranties, covenants or agreements contained in the combination agreement, which breach results in one of the conditions to the completion of the transaction not being satisfied; and

if (1) the board of directors of the other party authorizes such other party, subject to complying with the terms of the combination agreement, to enter into a binding written agreement concerning a transaction that constitutes a superior proposal and such other party notifies the first party in writing that it intends to enter into such an agreement; (2) the first party does not make, within five days of receipt of the notice, a written offer that the board of directors of the other party determines, in good faith after consultation with its financial advisors, is at least as favorable, from a financial point of view, to the other party's shareholders as the superior proposal; and (3) prior to termination, the other party pays the first party its expenses incurred in connection with the transaction up to a maximum amount of \$12,000,000 and a termination fee of \$85,000,000.

See The Combination Agreement Termination Fees and Expense Reimbursement Payable by Moore Wallace to RR Donnelley and The Combination Agreement Termination Fees and Expense Reimbursement Payable by RR Donnelley to Moore Wallace beginning on pages 102 and 103, respectively.

**Termination Fees and Expenses May Be Payable in Some Circumstances (page 102 and page 103)**

If the combination agreement is terminated by either party in some circumstances, either RR Donnelley or Moore Wallace may be required to pay to the other party a termination fee of \$85 million and all of the expenses incurred by the other party in connection with the transaction up to a maximum amount of \$12 million. The termination fee and expenses are required to be paid at different times, depending on the basis for the termination of the combination agreement.

**Moore Wallace Executive Officers and Directors Have Interests in the Transaction that May Be Different from, or in Addition to, the Interests of Moore Wallace Securityholders Generally, Including Interests with Respect to Stock Options and Employment Agreements (page 81)**

When Moore Wallace securityholders consider the recommendation of the Moore Wallace board of directors that Moore Wallace securityholders vote in favor of the arrangement resolution, Moore Wallace securityholders should keep in mind that a number of Moore Wallace directors and executive officers have interests in the transaction that may be different from, or in addition to, the interests of Moore Wallace securityholders generally. Those interests include:

the employment agreement entered into by Mark A. Angelson, the current chief executive officer of Moore Wallace, with RR Donnelley under which Mr. Angelson will become the chief executive officer of RR Donnelley upon completion of the transaction;

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the entitlement of some executive officers of Moore Wallace to change in control benefits under their employment agreements as a result of the transaction;

accelerated vesting of options held by executive officers of Moore Wallace;

cashing out deferred share units held by directors of Moore Wallace;

offers of directorships at RR Donnelley;

an agreement to provide directors and officers insurance; and

an agreement to provide executive officers and directors of Moore Wallace with continuing indemnification rights.

**Antitrust and Investment Canada Act Approvals Will Be Required for the Completion of the Transaction (page 75)**

RR Donnelley and Moore Wallace are not permitted to complete the transaction until RR Donnelley and Moore Wallace have obtained all material governmental consents or approvals required to complete the transaction, including:

the expiration or termination of the waiting period under the HSR Act; and

the receipt by RR Donnelley of written evidence from the responsible minister under the Investment Canada Act that the minister is satisfied, or deemed to be satisfied, that the transaction is likely of net benefit to Canada, on terms and conditions reasonably satisfactory to RR Donnelley and Moore Wallace.

**RR Donnelley Shareholders Will Not Have Dissenters Appraisal Rights; Registered Moore Wallace Shareholders Will Have Dissent Rights with Respect to the Transaction; Non-Registered Holders of Moore Wallace Common Shares, Moore Wallace Option Holders and Moore Wallace Restricted Stock Unit Holders Will Not Have Dissent Rights (page 77)**

*RR Donnelley Shareholders.* Holders of RR Donnelley common stock do not have dissenters appraisal rights in connection with the transaction under the DGCL.

*Moore Wallace Securityholders.* Registered Moore Wallace shareholders who properly exercise their dissent rights pursuant to the interim order issued by the Ontario Superior Court of Justice dated •, 2004, which is attached to this document as Annex D, will be entitled to be paid the fair value of their Moore Wallace common shares. The interim order and plan of arrangement require that a Moore Wallace registered shareholder who wishes to dissent must provide Moore Wallace a dissent notice not later than 5:00 p.m. (Toronto time) on the last business day immediately preceding the Moore Wallace special meeting. It is important that Moore Wallace shareholders strictly comply with this requirement, which is different from the statutory dissent procedures of the CBCA, which would permit a dissent notice to be provided at or prior to the Moore Wallace special meeting.

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Moore Wallace option holders, Moore Wallace restricted stock unit holders and non-registered holders of Moore Wallace common shares are not entitled to dissent rights in connection with the transaction. A non-registered holder of Moore Wallace common shares who wishes to exercise the holder's right to dissent should immediately contact the holder's broker or other intermediary and either instruct the holder's broker or other intermediary to exercise the right to dissent on behalf of the holder or instruct the broker or other intermediary to re-register the shares in the non-registered holder's name and then the holder should exercise the right to dissent.

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**The Purchase Method of Accounting Will Be Used to Account for the Transaction (page 80)**

RR Donnelley will account for the transaction under the purchase method of accounting for business combinations under accounting principles generally accepted in the United States of America (which we refer to in this document as U.S. GAAP).

**Tax Considerations for Moore Wallace Shareholders (page 106)**

It is a condition to the obligation of Moore Wallace to complete the transaction that Moore Wallace receive an opinion from Sullivan & Cromwell LLP, special counsel to Moore Wallace, to the effect that the acquisition of the Moore Wallace common shares pursuant to the combination agreement and the arrangement will qualify as a reorganization within the meaning of Section 368(a)(1)(B) of the Internal Revenue Code and that each of RR Donnelley and Moore Wallace will be a party to that reorganization within the meaning of Section 368(b) of the Internal Revenue Code. The opinion will be based, in part, on customary assumptions and written representations. Assuming the transaction qualifies as a reorganization within the meaning of Section 368(a)(1)(B) of the Internal Revenue Code, a holder of Moore Wallace common shares will not recognize any gain or loss for U.S. federal income tax purposes upon the exchange of the holder's Moore Wallace common shares for shares of RR Donnelley common stock pursuant to the transaction, except that gain or loss will be recognized on the receipt of cash in lieu of a fractional share of RR Donnelley common stock. For a more detailed description of the U.S. federal income tax consequences of the transaction, see Taxation Certain U.S. Federal Income and Estate Tax Considerations U.S. Federal Income Tax Consequences of the Transaction beginning on page 107.

For a discussion of certain U.S. federal income and estate tax consequences of owning shares of RR Donnelley common stock received in exchange for Moore Wallace common shares, see Taxation Certain U.S. Federal Income and Estate Tax Considerations Certain U.S. Federal Income and Estate Tax Consequences of Owning RR Donnelley Common Stock beginning on page 108. As described more fully under that heading, dividends paid to a non-U.S. holder of shares of RR Donnelley common stock generally will be subject to withholding of U.S. federal income tax at a rate of 30% (or such lower rate as may be specified by an applicable income tax treaty).

Subject to possible changes in the Canadian federal income tax rules, under the Canada Tax Act, as a result of the transaction, a Canadian resident holder of Moore Wallace common shares (including restricted shares) will generally be required to recognize any gain or loss on the shares for Canadian federal income tax purposes. Shares of RR Donnelley common stock (excluding RR Donnelley rights) will be qualified investments for, but will be foreign property to, registered retirement savings plans and similar tax deferred plans and will be foreign property for registered pension plans and other Canadian taxpayers who are subject to restrictions on the amount of foreign property that they may hold. RR Donnelley rights may not be considered to be a qualified investment. Generally, a holder of Moore Wallace common shares who is not resident in Canada will not be subject to Canadian income tax on any gain realized on such shares as a result of the transaction unless those shares constitute taxable Canadian property to the holder within the meaning of the Canada Tax Act and that gain is not otherwise exempt from Canadian federal income tax pursuant to an exemption contained in an applicable income tax treaty or convention. A holder of Moore Wallace common shares, whether resident in Canada or not, who exercises dissent rights and receives fair value for such holder's shares from Moore Wallace will, whether or not such shares have increased or decreased in value since the holder's acquisition of such shares, generally be deemed for Canadian income tax purposes to receive a dividend from Moore Wallace in the amount by which the amount paid by Moore Wallace exceeds the paid-up capital for Canadian income tax purposes of the Moore Wallace common shares. In the case of a holder who is not resident in Canada, such deemed dividend will be subject to Canadian withholding tax. For a more detailed description of the Canadian federal income tax consequences to holders of Moore Wallace common shares of the transaction and of owning shares of

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RR Donnelley common stock received in the transaction, see **Taxation Certain Canadian Federal Income Tax Considerations** beginning on page 110.

Moore Wallace shareholders should carefully read the discussion under the heading **Taxation** beginning on page 106. The tax consequences described above may not apply to some holders of Moore Wallace common shares. Holders of Moore Wallace common shares are urged to consult their tax advisors as to the specific tax consequences to them of the transaction and of owning shares of RR Donnelley common stock received in the transaction, including the applicability and effect of federal, state, local and foreign income and other tax laws in light of their particular circumstances. As discussed below, special U.S. federal income tax considerations may apply in the case of Moore Wallace restricted shares converted in the transaction.

**Tax Considerations for Holders of Moore Wallace Options, Restricted Stock Units and Restricted Shares (page 106)**

Holders of Moore Wallace options and restricted stock units will not recognize income for U.S. federal income tax purposes upon the conversion of such options and restricted stock units into RR Donnelley options and RR Donnelley restricted stock units, respectively, in connection with the transaction. Notwithstanding the foregoing summary of the U.S. federal income tax consequences of the transaction to holders of Moore Wallace common shares, holders of Moore Wallace restricted shares who did not elect to be taxed at the time the restricted shares were granted will recognize compensation income for U.S. federal tax purposes (which will be subject to wage and social security tax withholding) (i) if the forfeiture conditions on the restricted shares lapse as a result of the transaction, in an amount equal to the fair market value of such shares at such time over the amount, if any, paid for such shares or (ii) if the forfeiture conditions do not lapse, in an amount equal to any cash payments received by them in lieu of receiving any fractional interests in RR Donnelley restricted shares. Otherwise, such holders of Moore Wallace restricted shares will not recognize income for U.S. federal tax purposes upon the conversion of such restricted shares into RR Donnelley restricted shares. See the discussion under **Taxation Certain U.S. Federal Income and Estate Tax Considerations U.S. Federal Income Tax Consequences of the Transaction** beginning on page 107. For a discussion of the U.S. federal income tax consequences of the exercise of RR Donnelley stock options or the payment of RR Donnelley restricted stock units or for a further discussion of the U.S. federal income tax consequences of the lapse of restrictions on RR Donnelley restricted shares, see **The Performance Incentive Plan Proposal U.S. Federal Income Tax Consequences** beginning on page 168.

Generally, holders of Moore Wallace options and restricted stock units who are (i) resident in Canada and who received such Moore Wallace options or restricted stock units in connection with their employment with Moore Wallace or a subsidiary of Moore Wallace or (ii) not resident in Canada but (a) generally subject to Canadian income tax with respect to employment benefits relating to Moore Wallace options and restricted stock units or (b) for whom the Moore Wallace options and restricted stock units are not taxable Canadian property within the meaning of the Canada Tax Act will not be required to report any income or gain for Canadian federal income tax purposes as a result of the conversion of their Moore Wallace options and restricted stock units into RR Donnelley options and restricted stock units, provided that under the terms of such Moore Wallace options or restricted stock units Moore Wallace can be required to sell or issue Moore Wallace common shares to the holder of such options or units. The Canadian federal income tax consequences of the transaction to a holder of Moore Wallace restricted shares is the same as for any other holder of Moore Wallace common shares (see the summary under the immediately preceding heading.) For a more detailed discussion of the Canadian federal income tax consequences of exchanging Moore Wallace options and restricted stock units for RR Donnelley options and restricted stock units see **Taxation Certain Canadian Federal Income Tax Considerations** beginning on page 110.

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**Moore Wallace Share Issuance Proposal (page 191)**

On •, Moore Wallace acquired PPS, a Tennessee-based provider of mortgage statement processing solutions to the financial services industry, for approximately \$92.5 million in cash and Moore Wallace common shares, including the repayment of PPS indebtedness. The majority shareholders of PPS prior to its sale exercised their right to request a Moore Wallace shareholder vote to approve the payment of \$• of the consideration in Moore Wallace common shares in lieu of receiving that amount of cash otherwise owed to such majority shareholders of PPS in connection with the sale of PPS to Moore Wallace. If the Moore Wallace share issuance proposal is not approved, then, shortly after the Moore Wallace special meeting, Moore Wallace will pay \$• in cash without interest to the majority shareholders of PPS. If such proposal is approved, Moore Wallace expects to issue Moore Wallace common shares to the majority shareholders of PPS prior to the completion of the transaction with RR Donnelley.

The Moore Wallace share issuance proposal is unrelated to Moore Wallace's transaction with RR Donnelley. Moore Wallace shareholders are not being asked to approve the acquisition of PPS. PPS has already been acquired and is now an indirect wholly owned subsidiary of Moore Wallace.

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We are providing the following financial information to assist you in your analysis of the financial aspects of the transaction. We derived the annual RR Donnelley historical financial information from the audited consolidated financial statements of RR Donnelley as of and for each of the years ended December 31, 1998 through 2002. RR Donnelley prepares its financial statements in accordance with U.S. GAAP. We derived the data as of and for the nine months ended September 30, 2003 and 2002 from unaudited interim financial statements of RR Donnelley. In the opinion of RR Donnelley's management, such data includes all normal and recurring adjustments that are considered necessary for the fair presentation of the results for the interim periods.

The information below is only a summary and should be read in conjunction with RR Donnelley's audited historical consolidated financial statements and related notes contained in RR Donnelley's Annual Report on Form 10-K for the year ended December 31, 2002 and RR Donnelley's unaudited interim financial statements and related notes contained in its Quarterly Report on Form 10-Q for the quarter ended September 30, 2003, which are incorporated by reference into this document, as well as other information that has been filed with the United States Securities and Exchange Commission (which we refer to in this document as the SEC) [and filed with the Canadian securities regulatory authorities]. The historical results included below and elsewhere in this document are not indicative of the future performance of RR Donnelley or the combined company.

	As of and for the						
	Nine Months Ended September 30,		Year Ended December 31,				
	2003	2002	2002	2001	2000	1999	1998
	(unaudited)		(in thousands, except per share data)				
<b>Income Statement Data:</b>							
Net sales(1)	\$ 3,410,053	\$ 3,419,822	\$ 4,754,937	\$ 5,297,760	\$ 5,764,335	\$ 5,415,642	\$ 5,217,953
Earnings from operations	164,088	137,348	244,937	147,271	501,040	530,427	488,418
Income from continuing operations before income taxes(2)	123,165	100,112	175,733	74,894	433,984	506,529	589,372
Income from continuing operations(2)	78,825	94,178	142,237	24,988	266,900	311,515	374,647
Loss from discontinued operations, net of income taxes(3)						(3,201)	(80,067)
Net earnings available to common shareholders	78,825	94,178	142,237	24,988	266,900	308,314	294,580
<b>Income from continuing operations per share of common stock:</b>							
Basic	\$ 0.70	\$ 0.83	\$ 1.26	\$ 0.21	\$ 2.18	\$ 2.41	\$ 2.68
Diluted	0.69	0.82	1.24	0.21	2.17	2.40	2.64
<b>Loss from discontinued operations per share of common stock(3):</b>							
Basic						(0.02)	(0.57)
Diluted						(0.02)	(0.56)
<b>Net earnings per share of common stock:</b>							
Basic	0.70	0.83	1.26	0.21	2.18	2.39	2.11
Diluted	0.69	0.82	1.24	0.21	2.17	2.38	2.08
<b>Cash Flow Data:</b>							
Net cash provided by operating activities	\$ 241,994	\$ 244,996	\$ 408,919	\$ 548,394	\$ 740,585	\$ 635,317	\$ 732,835
Net cash used by investing activities	(126,564)	(157,628)	(216,126)	(256,410)	(438,217)	(354,391)	(15,829)
Net cash used by financing activities	(111,658)	(61,005)	(178,525)	(302,737)	(285,321)	(344,324)	(727,167)
<b>Other Data:</b>							
Cash dividends paid per share	\$ 0.76	\$ 0.73	\$ 0.98	\$ 0.94	\$ 0.90	\$ 0.86	\$ 0.82

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Cash and cash equivalents	65,618	72,148	60,543	48,615	60,873	41,873	66,226
Total assets	3,193,690	3,269,342	3,151,772	3,385,617	3,914,202	3,853,464	3,798,117
Short-term debt	196,725	310,410	245,782	168,497	271,640	419,555	285,429
Long-term debt	773,835	775,296	752,870	881,318	739,190	748,498	773,549
Shareholders equity	890,362	849,568	914,594	888,407	1,232,548	1,138,258	1,300,878

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	For the	
	Year Ended December 31,	
	2001	2000
	(in thousands, except per share data)	
<b>Adoption of Statement of Financial Accounting Standards No. 142, Goodwill and Other Intangible Assets Transitional Disclosure</b>		
Net income	\$ 24,988	\$ 266,900
Add back: goodwill amortization	13,393	13,504
Adjusted net income	\$ 38,381	\$ 280,404
Basic earnings per common share:		
Net income	\$ 0.21	\$ 2.18
Add back: goodwill amortization	0.11	0.11
Adjusted net income	\$ 0.32	\$ 2.29
Diluted earnings per common share:		
Net income	\$ 0.21	\$ 2.17
Add back: goodwill amortization	0.11	0.11
Adjusted net income	\$ 0.32	\$ 2.28

- (1) RR Donnelley acquired certain net assets of CTC Distribution Services LLC in February 2000 for \$160 million. Net sales for the 12 months ended December 31, 2000 included \$365 million from such acquisition.
- (2) Included in RR Donnelley's earnings from continuing operations before income taxes and income from continuing operations, as applicable, are the following significant items affecting comparability:

Nine months ended September 30, 2003: restructuring and impairment charges of \$9 million (\$6 million after-tax, or \$0.05 per diluted share), affordable housing write-downs of \$14 million (\$8 million after-tax, or \$0.07 per share) and gain on sale of businesses and investments of \$4 million (\$3 million after-tax, or \$0.03 per diluted share).

Nine months ended September 30, 2002: restructuring and impairment charges of \$65 million (\$40 million after-tax, or \$0.35 per diluted share), affordable housing write-downs of \$9 million (\$5 million after-tax, or \$0.05 per share), benefit from the reversal of excess corporate-owned life insurance tax reserves of \$30 million (\$30 million after-tax, or \$0.26 per diluted share) and gain on sale of businesses and investments of \$6 million (\$6 million after-tax, or \$0.06 per diluted share).

Full year 2002: restructuring and impairment charges of \$89 million (\$54 million after-tax, or \$0.47 per diluted share), affordable housing write-downs of \$26 million (\$16 million after-tax, or \$0.14 per share), benefit from the reversal of excess corporate-owned life insurance tax reserves of \$30 million (\$30 million after-tax, or \$0.26 per diluted share) and gain on sale of businesses and investments of \$6 million (\$6 million after-tax, or \$0.06 per diluted share).

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Full year 2001: restructuring and impairment charges of \$196 million (\$137 million after-tax, or \$1.15 per diluted share), affordable housing write-downs of \$8 million (\$5 million after-tax, or \$0.04 per share), gain on sale of businesses and investments of \$7 million (\$7 million after-tax, or \$0.05 per diluted share) and loss on investment write-downs of \$19 million (\$19 million after-tax, or \$0.16 per diluted share).

Full year 2000: affordable housing write-downs of \$4 million (\$3 million after-tax, or \$0.02 per share) and gain on sale of shares received from the demutualization of RR Donnelley's basic life insurance carrier of \$13 million (\$8 million after-tax, or \$0.06 per diluted share).

Full year 1999: affordable housing write-downs of \$4 million (\$3 million after-tax, or \$0.02 per share) and gain on sale of businesses and investments of \$43 million (\$27 million after-tax, or \$0.20 per diluted share).

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Full year 1998: affordable housing write-downs of \$4 million (\$3 million after-tax, or \$0.02 per share) and gain on sale of RR Donnelley's remaining interests in two former subsidiaries of \$169 million (\$101 million after-tax, or \$0.71 per diluted share).

**Items Affecting Comparability of Earnings from Continuing Operations before Income Taxes**

	For the						
	Nine Months Ended		Year Ended December 31,				
	September 30,		Year Ended December 31,				
	2003	2002	2002	2001	2000	1999	1998
	(in thousands)						
Restructuring and impairment	\$ 9,390	\$ 65,426	\$ 88,929	\$ 195,545	\$	\$	\$
Affordable housing write-downs	13,750	9,000	26,000	8,400	4,200	4,200	4,167
Gain on sale of businesses and investments	(4,158)	(6,350)	(6,350)	(6,641)		(42,836)	(169,083)
Other investment write-downs				18,536			
Gain from demutualization					(12,859)		
	<u>\$ 18,982</u>	<u>\$ 68,076</u>	<u>\$ 108,579</u>	<u>\$ 215,840</u>	<u>\$ (8,659)</u>	<u>\$ (38,636)</u>	<u>\$ (164,916)</u>

- (3) The loss from discontinued operations in 1998 represented an \$80 million impairment charge (\$80 million after-tax, or \$0.56 per diluted share) related to the write-down of goodwill at Corporate Software & Technology Holdings, Inc. (which we refer to in this document as CS&T). Additional pretax loss from discontinued operations of \$5 million (\$3 million after-tax, or \$0.02 per diluted share) for CS&T was included in 1999. In November 1999, RR Donnelley sold its entire interest in CS&T at no gain or loss.

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**MOORE WALLACE SELECTED HISTORICAL FINANCIAL INFORMATION**

We are providing the following financial information to assist you in your analysis of the financial aspects of the transaction. The financial information under the heading **Moore Wallace Selected Historical Financial Information** includes historical information for Moore Wallace as of and for each of the years ended December 31, 1998 through 2002 and for the nine months ended September 30, 2002, none of which gives effect to Moore Wallace's merger with WCS, which was completed on May 15, 2003. Also included under the heading **Moore Wallace Selected Historical Financial Information** is financial information for the nine months ended September 30, 2003, which includes the combined financial information of Moore Wallace and WCS since the date of the acquisition. We derived the annual Moore Wallace historical financial information from the audited consolidated financial statements of Moore Wallace as of and for each of the years ended December 31, 1998 through 2002. Moore Wallace prepares its financial statements in ac