

JEFFERIES GROUP INC /DE/

Form FWP

January 20, 2006

January 19, 2006
Filed pursuant to Rule 433
Registration Statement No. 333-130325

6.250% SENIOR DEBENTURES DUE 2036

Issuer:	Jefferies Group, Inc.
Issue:	Senior Debentures due 2036
Ratings:	Baa1 by Moody's Investor Service Inc. BBB by Standard & Poor's Ratings Group BBB+ by Fitch Ratings
Format:	SEC Registered
Ranking:	Senior Unsecured
Offering Size:	\$500,000,000
Trade Date:	January 19, 2006
Settlement Date:	January 26, 2006
Final Maturity:	January 15, 2036
Interest Payment Dates:	Semi-annually on the 15th of each July and January
First Pay Date:	July 15, 2006
UST Spot (PX/Yield):	5.875% UST due 2/2031 112-7+ (Price)/4.552% (Yield)
Spread to Benchmark:	T ₃₀₊ 175 basis points
Yield to Maturity:	6.302%
Coupon:	6.250%, paid semi-annually (Fixed)
Issue Price (Price to Public):	99.306%
Underwriting Discount:	0.875%
Day Count Convention:	30/360
Redemption at the issuer option:	Make Whole T+ 25 basis points

Edgar Filing: JEFFERIES GROUP INC /DE/ - Form FWP

Minimum Denominations:	\$5,000 and integral multiples of \$1,000 in excess thereof
Billing & Delivering:	Merrill Lynch, Pierce, Fenner & Smith Incorporated
Joint Book-Runners:	Jefferies & Company, Inc. Citigroup Global Markets Inc. Merrill Lynch, Pierce, Fenner & Smith Incorporated
Co-Managers:	Banc of America Securities LLC BNY Capital Markets, Inc. Keefe, Bruyette & Woods, Inc. Wachovia Capital Markets, LLC BNP Paribas Securities Corp. HSBC Securities (USA) Inc. SG Americas Securities, LLC

The following table sets forth Jefferies Group, Inc.'s capitalization as of September 30, 2005 on an actual basis and as adjusted to give effect to the sale of the debentures.

	As of September 30, 2005	
	Actual	As adjusted
	(unaudited, in thousands)	
Long-Term Debt:		
7.50% Senior Notes due 2007	\$ 99,947	\$ 99,947
7.75% Senior Notes due 2012	333,403	333,403
5.50% Senior Notes due 2016	348,093	348,093
6.25% Senior Debentures due 2036 offered hereby		500,000
 Total Long-Term Debt	 781,443	 1,281,443
 Total Stockholders' Equity	 1,201,860	 1,201,860
 Total Capitalization ⁽¹⁾	 \$ 1,983,303	 \$ 2,483,303

(1) On January 18, 2006, we announced that Massachusetts Mutual Life Insurance Company, or MassMutual, had agreed, subject to final documentation and conditions to closing, to purchase \$125.0 million of our Series A Cumulative Convertible Preferred Stock. Total Capitalization above does not reflect the sale of the Series A Cumulative Convertible Preferred Stock to MassMutual.

This communication is intended for the sole use of the person to whom it is provided by us.

Edgar Filing: JEFFERIES GROUP INC /DE/ - Form FWP

The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling toll-free:

MERRILL LYNCH 1-800-248-3580

CITIGROUP 1-800-248-3580