

AVERY DENNISON CORPORATION

Form 8-K

October 25, 2005

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

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 OR 15(d) of  
The Securities Exchange Act of 1934**

Asset impairment charges

0.1

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Adjusted non-GAAP operating income

\$7.1 \$8.5 5.1% 6.6%

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(1) For 2005, amount includes transition costs of \$.4 related to a plant closure.

-more-

**AVERY DENNISON**  
**PRELIMINARY SUPPLEMENTARY INFORMATION**

(In millions)

(UNAUDITED)

Nine Months Year-to-Date

	NET SALES		OPERATING INCOME		OPERATING MARGINS	
	2005	2004	2005 <sup>(1)</sup>	2004 <sup>(2)</sup>	2005	2004
Pressure-sensitive Materials	\$ 2,369.2	\$ 2,214.0	\$ 213.3	\$ 156.8	9.0%	7.1%
Office and Consumer Products	843.2	844.7	119.8	121.8	14.2%	14.4%
Retail Information Services	504.5	460.9	36.6	35.5	7.3%	7.7%
Other specialty converting businesses	410.5	387.3	12.5	32.6	3.0%	8.4%
Corporate Expense	N/A	N/A	N/A	N/A		

N/A October 25, 2005

N/A

Date of Report

## AVERY DENNISON CORPORATION

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other  
jurisdiction  
of incorporation)

**1 -7685**  
(Commission  
File Number)

**95-1492269**  
(IRS Employer  
Identification No.)

**150 North Orange Grove  
Boulevard**

**Pasadena, California**

**91103**

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(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code  
(626) 304-2000

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(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

<input type="checkbox"/>	(30.5)	(39.9)	N/A	N/A	Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
Interest Expense	N/A	N/A	(45.0)	(43.1)	N/A

- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Section 2 - Financial Information**

**Item 2.02 Results of Operations and Financial Condition.**

Avery Dennison Corporation's news release dated October 25, 2005, regarding its preliminary financial results for the third quarter, is attached hereto as Exhibit 99.1. This information is being furnished (not filed) under this Form 8-K. Additionally, the Company will discuss its preliminary financial results during a webcast and teleconference call today at 2:00 p.m. (EDT). To access our webcast and teleconference call, please go to our website at <http://www.investors.averydennison.com>.

**Section 8 - Other Events**

**Item 8.01 Other Events.**

The Australian Competition and Consumer Commission (ACCC) notified two Company subsidiaries, Avery Dennison Materials Pty Limited and Avery Dennison Australia Pty Ltd, that it was seeking information in connection with a label stock investigation. The Company is cooperating with the investigation.

The Company has contacted relevant authorities in the U.S. with respect to the preliminary results of an internal investigation of potential violations of the U.S. Foreign Corrupt Practices Act, and intends to make a full report to these authorities shortly. The transactions at issue were carried out by a small number of employees of the Company's reflective business in the Peoples Republic of China, and involved, among other things, impermissible payments or attempted impermissible payments. The payments or attempts

TOTAL	\$ 4,127.4	\$	3,906.9	\$	306.7	\$ 263.7	7.4%	6.7%
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**Section 9 - Financial Statements and Exhibits**

**Item 9.01 Financial Statements and Exhibits.**

(c) Exhibits

On October 25, 2005, Avery Dennison Corporation issued a news release announcing its preliminary financial results for the third quarter ending October 1, 2005, along with earnings guidance for the current quarter and 2005 fiscal year, as set forth in Exhibit 99.1.

SPECIAL NOTE  
REGARDING  
FORWARD  
LOOKING  
STATEMENTS

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: Certain statements contained in this report on Form 8-K and Exhibit 99.1 are forward-looking statements intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to certain risks and uncertainties. Actual results and trends may differ materially from historical or expected results depending on a variety of factors, including but not limited to fluctuations in cost and availability of raw materials; ability of the Company to achieve and sustain targeted cost reductions; foreign

exchange rates; worldwide and local economic conditions; selling prices; impact of legal proceedings, including the U.S. Department of Justice ( DOJ ) criminal investigation, as well as the European Commission ( EC ), Canadian Department of Justice, and Australian Competition and Consumer Commission investigations, into industry competitive practices and any related proceedings or lawsuits pertaining to these investigations or to the subject matter thereof (including purported class actions seeking treble damages for alleged unlawful competitive practices, and purported class actions related to alleged disclosure violations pertaining to alleged unlawful competitive practices, which were filed after the announcement of the DOJ investigation, as well as a likely fine by the EC in respect of certain employee misconduct in Europe); impact of potential violations of the U.S. Foreign Corrupt Practices Act based on issues in China; impact of epidemiological events on the economy and the Company s customers and suppliers; successful integration of acquired companies, financial condition and inventory strategies of customers; development, introduction and acceptance of new products; fluctuations in demand affecting sales to customers; and other matters referred

to in the Company's  
SEC filings.

The financial  
information presented  
in this news release  
represents preliminary  
financial results.

The Company believes  
that the most  
significant risk factors  
that could affect its  
ability to achieve its  
stated financial  
expectations in the  
near-term include  
(1) potential adverse  
developments in legal  
proceedings and/or  
investigations  
regarding competitive  
activities; (2) the  
degree to which higher  
raw material costs can  
be passed on to  
customers through  
selling price increases  
(and previously  
implemented selling  
price increases can be  
sustained), without a  
significant loss of  
volume; (3) the impact  
of economic conditions  
on underlying demand  
for the Company's  
products; and  
(4) ability of the  
Company to achieve  
and sustain targeted  
cost reductions.

For a more detailed  
discussion of these and  
other factors, see the  
Exhibit 99.1

Cautionary Statement  
For Purposes Of The  
Safe Harbor Provisions  
Of The Private  
Securities Litigation  
Reform Act Of 1995 in  
the Company's Form  
10-K, filed on



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March 17, 2005. The forward-looking statements included in this Form 8-K are made only as of the date of this Form 8-K, and the Company undertakes no obligation to update the forward-looking statements to reflect subsequent events or circumstances.

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**SIGNATURES**

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

**AVERY DENNISON CORPORATION**

Date:  
October 25,  
2005

By: /s/ Daniel R.  
O Bryant  
Name: Daniel R.  
O Bryant  
Title: Executive Vice  
President,  
Finance  
  
and Chief  
Financial  
Officer

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EXHIBIT LIST

**Exhibit No. Description**

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99.1	News release dated October 25, 2005.
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