

JEFFERIES GROUP INC /DE/
Form FWP
June 24, 2010

June 23, 2010
Filed pursuant to Rule 433
Registration Statement No. 333-160214

6.875% SENIOR NOTES DUE 2021

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|---|---|
| Issuer: | Jefferies Group, Inc. |
| Issue: | Senior Notes due 2021 |
| Security Type: | Senior Unsecured Fixed Rate Notes |
| Anticipated Ratings (Moody's/S&P/Fitch): | Baa2(Stable)/BBB(Stable)/BBB(Stable) |
| Principal Amount: | \$400,000,000 |
| Trade Date: | June 23, 2010 |
| Settlement Date: | June 28, 2010 (T + 3) |
| Final Maturity: | April 15, 2021 |
| Interest Payment Dates: | Semi-annually on October 15th and April 15th, commencing on October 15th, 2010 (Short first coupon) |
| Benchmark Treasury: | 3.500% UST due 5/15/20 |
| Spread to Benchmark: | T + 390 basis points |
| Treasury Strike: | 3.110% |
| Yield to Maturity: | 7.010% |
| Coupon: | 6.875% |
| Public Offering Price: | 99.003% of principal amount |
| Underwriting Discount: | 0.450% |
| Proceeds, Before Expenses: | \$394,212,000 |
| Day Count Convention: | 30/360 |
| Make-Whole Call Payment: | UST + 50 basis points |
| Minimum Denominations: | \$5,000 and integral multiples of \$1,000 in excess thereof |
| CUSIP: | 472319AH5 |

ISIN: US472319AH57

Book-Running Managers: Jefferies & Company, Inc.
Citigroup Global Markets Inc.
J.P. Morgan Securities Inc.

Senior Co-Managers: BNY Mellon Capital Markets, LLC
Deutsche Bank Securities Inc.

Co-Managers: BNP Paribas Securities Corp.
Keefe, Bruyette & Woods, Inc.
U.S. Bancorp Investments, Inc.

| Fixed charge coverage ratio(1): | Three Months | | Year Ended December 31, | | |
|--|------------------------|-------------|--------------------------------|-------------|-------------|
| | Ended March 31, | | 2009 | 2008 | 2007 |
| | 2010 | 2009 | 2009 | 2008 | 2007 |
| | 3.4x | 2.5x | 4.2x | (2) | 3.0x |

(1) The ratio of earnings to fixed charges is computed by dividing (a) income from continuing operations before income taxes plus fixed charges by (b) fixed charges. Fixed charges consist of interest expense on all long-term indebtedness and the portion of operating lease rental expense that is representative of the interest factor (deemed to be one-third of operating lease rentals).

(2) Earnings for the year ended December 31, 2008 were insufficient to cover fixed charges by approximately \$746.2 million.

Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

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 Jefferies & Company, Inc. at (201)761-7610, Citigroup Global Markets Inc. toll free at 1-877-858-5407 or J.P. Morgan Securities Inc. collect at 1-212-834-4533.