

RADISYS CORP
Form 424B3
June 23, 2005

Prospectus Supplement No. 2
Dated June 23, 2005
(To Prospectus Dated June 9, 2004)

Filed Pursuant to Rule 424(b)(3)
Registration No. 333-111547

\$100,000,000

**1 3/8% Convertible Senior Notes due November 15, 2023 and
4,242,465 Shares of Common Stock Issuable Upon Conversion of the Notes**

This prospectus supplement supplements the information contained in our prospectus dated June 9, 2004, as previously supplemented on December 9, 2004, relating to the potential resale from time to time of our 1 3/8% Convertible Senior Notes due November 15, 2023 and the resale of shares of our common stock issuable upon conversion of the notes. The notes and shares of our common stock issuable upon conversion of the notes that are offered for resale pursuant to this prospectus supplement and the prospectus dated June 9, 2004 are offered for the accounts of their current holders, which we refer to as the selling security holders.

You should read this prospectus supplement together with the prospectus dated June 9, 2004, which is to be delivered with this prospectus supplement and the document incorporated by reference in that prospectus.

The following table sets forth update information, as of June 23, 2005, regarding the principal amount of notes beneficially owned by the selling security holders listed below and the number of shares of common stock issuable upon conversion of those notes that may be offered from time to time and supplements and amends the table appearing under Selling Security Holders beginning on page 36 of the prospectus. To the extent that a selling security holder is listed both in the table below and in the table appearing in the prospectus, the information set forth below regarding that selling security holder supersedes the information in the prospectus. We have prepared this table based on information given to us by the selling security holders listed below prior to the date hereof.

The percentage of notes outstanding beneficially owned by the selling security holder is based on \$100,000,000 aggregate principal amount of notes outstanding. The number of shares of common stock shown in the table below assumes conversion of the full amount of notes held by such holder at the initial conversion rate of 42.4247 shares per \$1,000 principal amount of notes. This conversion rate is subject to adjustment as described under Description of Notes Conversion of the Notes in the prospectus. Accordingly, the number of shares of common stock beneficially owned by a selling security holder may increase or decrease from time to time. Under the terms of the indenture, fractional shares will not be issued upon conversion of the notes. Cash will be paid instead of fractional shares, if any.

	Principal Amount of Notes		Number of Shares of Common Stock		
	Beneficially Owned and Offered	Percentage of Notes Outstanding	Common Stock Beneficially Owned Prior to Conversion	Common Stock Offered Hereby	Common Stock Beneficially Owned Following the Offering
Selling Security Holder (1)	Hereby(1)	Outstanding	(1)(2)		
Clinton Multistrategy Master Fund, Ltd.(4)	4,666,000	4.67	197,954	197,954	0
Clinton Riverside Convertible Portfolio Limited (4)	843,000	.84	35,764	35,764	0

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Sphinx Convertible Arbitrage (Clinton)					
Segregated Portfolio (4)	2,691,000	2.69	114,165	114,165	0
MSD TCB, L.P. (5)	7,000,000	7.00	296,973	296,973	0

- (1) Information concerning the selling security holders may change from time to time. Any such changed information will be set forth in amendments to the registration statement of which this prospectus forms a part or supplements to this prospectus, if and when required.
- (2) Assumes conversion at the initial conversion rate of 42.4247 shares per \$1,000 principal amount of the notes. This conversion rate is subject to adjustment as described under Description of Notes Conversion of the Notes. Accordingly, the number of shares of common stock beneficially owned by a selling security holder may increase or decrease from time to time. Under the terms of the indenture, fractional shares will not be issued upon conversion of the notes. Cash will be paid instead of fractional shares, if any.
- (3) Assumes sale, transfer or other disposition of all common stock issuable upon conversion of the notes.
- (4) Mike Vacca has voting and investment power over the shares that this selling security holder beneficially owns.
- (5) John Phelan and Glenn Fuhrman have voting and investment power over the shares that this selling security holder beneficially owns.

Investing in the notes and the common stock issuable upon conversion of the notes involves risks. See Risk Factors beginning on page 6 of the prospectus and the documents that are incorporated by reference.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this prospectus is truthful of complete. Any representation to the contrary is a criminal offense.

The date of this prospectus supplement is June 23, 2005.