

NETSCOUT SYSTEMS INC
Form SC 13D/A
March 11, 2010

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13D
[Rule 13d-101]

(Amendment No. 2)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO § 240.13d-1(a) AND
AMENDMENTS THERETO FILED PURSUANT TO 240.13d-2(a)

NETSCOUT SYSTEMS, INC.
(Name of Issuer)

Common Stock, par value \$0.001 per share
(Title of Class of Securities)

64115T 10 4
(CUSIP Number)

Clive D. Bode
Vice President
TPG Capital, L.P.
301 Commerce Street, Suite 3300
Fort Worth, TX 76102
(817) 871-4000

(Name, Address and Telephone Number of Person Authorized to
Receive Notices and Communications)

March 10, 2010

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

(Continued on the following pages)

(Page 1 of 11 pages)

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page. The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 64115T 10 4

13D

Page 2 of 11 Pages

- 1 NAMES OF REPORTING PERSONS
TPG Advisors III, Inc.
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) 0
(see instructions) (b) X
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS (see instructions)
OO (See Item 3)
- 5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO 0
ITEM 2(d) or 2(e)
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware
- | | | | |
|--------------|----|--------------------------------|--|
| | 7 | SOLE VOTING POWER | |
| | | -0- | |
| NUMBER OF | 8 | SHARED VOTING POWER | |
| SHARES | | 530,296 (See Items 3, 4 and 5) | |
| BENEFICIALLY | 9 | SOLE DISPOSITIVE POWER | |
| OWNED BY | | -0- | |
| EACH | 10 | SHARED DISPOSITIVE POWER | |
| REPORTING | | 530,296 (See Items 3, 4 and 5) | |
| PERSON WITH | | | |
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
530,296 (See Items 3, 4 and 5)
- 12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN 0
SHARES (see instructions)*
- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11
1.3% (See Item 5)*
- 14 TYPE OF REPORTING PERSON (see instructions)*
CO

* The calculation is based on 41,173,780 shares of NetScout Common Stock outstanding as of February 3, 2010, which figure is based on information set forth in NetScout's Form 10-Q for the period ended December 31, 2009, which was filed with the Securities and Exchange Commission on February 5, 2010.

CUSIP No. 64115T 10 4

13D

Page 3 of 11 Pages

- 1 NAMES OF REPORTING PERSONS
TPG Advisors IV, Inc.
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)
(see instructions) (b)
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS (see instructions)
OO (See Item 3)
- 5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEM 2(d) or 2(e)
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware
- | | | |
|----------------------------------|----|--|
| | 7 | SOLE VOTING POWER
-0- |
| NUMBER OF
SHARES | 8 | SHARED VOTING POWER
851,184 (See Items 3, 4 and 5) |
| BENEFICIALLY
OWNED BY | 9 | SOLE DISPOSITIVE POWER
-0- |
| EACH
REPORTING
PERSON WITH | 10 | SHARED DISPOSITIVE POWER
851,184 (See Items 3, 4 and 5) |
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
851,184 (See Items 3, 4 and 5)
- 12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN
SHARES (see instructions)*
- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11
2.1% (See Item 5)*
- 14 TYPE OF REPORTING PERSON (see instructions)*
CO

* The calculation is based on 41,173,780 shares of NetScout Common Stock outstanding as of February 3, 2010, which figure is based on information set forth in NetScout's Form 10-Q for the period ended December 31, 2009, which was filed with the Securities and Exchange Commission on February 5, 2010.

CUSIP No. 64115T 10 4

13D

Page 4 of 11 Pages

- 1 NAMES OF REPORTING PERSONS
T3 Advisors II, Inc.
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) o
(see instructions) (b) x
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS (see instructions)
OO (See Item 3)
- 5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO o
ITEM 2(d) or 2(e)
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware
- | | | | |
|---|----|--|--|
| | 7 | SOLE VOTING POWER
-0- | |
| NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH | 8 | SHARED VOTING POWER
690,743 (See Items 3, 4 and 5) | |
| | 9 | SOLE DISPOSITIVE POWER
-0- | |
| | 10 | SHARED DISPOSITIVE POWER
690,743 (See Items 3, 4 and 5) | |
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
690,743 (See Items 3, 4 and 5)
- 12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN o
SHARES (see instructions)*
- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11
1.7% (See Item 5)*
- 14 TYPE OF REPORTING PERSON (see instructions)*
CO

* The calculation is based on 41,173,780 shares of NetScout Common Stock outstanding as of February 3, 2010, which figure is based on information set forth in NetScout's Form 10-Q for the period ended December 31, 2009, which was filed with the Securities and Exchange Commission on February 5, 2010.

CUSIP No. 64115T 10 4

13D

Page 5 of 11 Pages

- 1 NAMES OF REPORTING PERSONS
David Bonderman
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) o
(see instructions) (b) x
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS (see instructions)
OO (See Item 3)
- 5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO o
ITEM 2(d) or 2(e)
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
United States of America
- | | | | |
|---|----|--|--|
| | 7 | SOLE VOTING POWER
-0- | |
| NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH | 8 | SHARED VOTING POWER
2,072,223 (See Items 3, 4 and 5) | |
| | 9 | SOLE DISPOSITIVE POWER
-0- | |
| | 10 | SHARED DISPOSITIVE POWER
2,072,223 (See Items 3, 4 and 5) | |
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
2,072,223 (See Items 3, 4 and 5)
- 12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN o
SHARES (see instructions)*
- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11
5.0% (See Item 5)*
- 14 TYPE OF REPORTING PERSON (see instructions)*
IN

* The calculation is based on 41,173,780 shares of NetScout Common Stock outstanding as of February 3, 2010, which figure is based on information set forth in NetScout's Form 10-Q for the period ended December 31, 2009, which was filed with the Securities and Exchange Commission on February 5, 2010.

CUSIP No. 64115T 10 4

13D

Page 6 of 11 Pages

- 1 NAMES OF REPORTING PERSONS
James G. Coulter
- 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) o
(see instructions) (b) x
- 3 SEC USE ONLY
- 4 SOURCE OF FUNDS (see instructions)
OO (See Item 3)
- 5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO o
ITEM 2(d) or 2(e)
- 6 CITIZENSHIP OR PLACE OF ORGANIZATION
United States of America
- 7 SOLE VOTING POWER
-0-
- NUMBER OF 8 SHARED VOTING POWER
SHARES 2,072,223 (See Items 3, 4 and 5)
- BENEFICIALLY 9 SOLE DISPOSITIVE POWER
OWNED BY -0-
- EACH 10 SHARED DISPOSITIVE POWER
REPORTING 2,072,223 (See Items 3, 4 and 5)
PERSON WITH
- 11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
2,072,223 (See Items 3, 4 and 5)
- 12 CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN o
SHARES (see instructions)*
- 13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 11
5.0% (See Item 5)*
- 14 TYPE OF REPORTING PERSON (see instructions)*
IN

* The calculation is based on 41,173,780 shares of NetScout Common Stock outstanding as of February 3, 2010, which figure is based on information set forth in NetScout's Form 10-Q for the period ended December 31, 2009, which was filed with the Securities and Exchange Commission on February 5, 2010.

This Amendment No. 2 (this "Amendment") amends and supplements the Schedule 13D filed on November 13, 2007, as amended by Amendment No. 1 filed on February 11, 2010 (the "Original Schedule 13D" and, as supplemented and amended by this Amendment, the "Schedule 13D") by TPG Advisors III, Inc., TPG Advisors IV, Inc., T3 Advisors II, Inc., Mr. David Bonderman and Mr. James G. Coulter with respect to NetScout Common Stock. Capitalized terms used in this Amendment and not otherwise defined shall have the same meanings ascribed to them in the Original Schedule 13D.

Item 5. Interest in Securities of the Issuer.

This Amendment amends and restates Item 5 of the Original Schedule 13D in its entirety as set forth below:

"The information contained on each of the cover pages of this Schedule 13D and the information set forth or incorporated in Items 2, 3, 4, and 6 are hereby incorporated herein by reference.

(a)-(b) The following disclosure assumes that there are a total of 41,173,780 shares of NetScout Common Stock outstanding as of February 3, 2010, which figure is based on information set forth in NetScout's Form 10-Q for the period ended December 31, 2009, which was filed with the Securities and Exchange Commission on February 5, 2010.

Starburst III directly owns 530,296 shares of NetScout Common Stock, which represents approximately 1.3% of the outstanding shares of NetScout Common Stock. As described in greater detail in Item 2 above, Advisors III is the indirect general partner of the entity that is the managing member of Starburst III. Therefore, Advisors III may be considered to be the beneficial owner of the NetScout Common Stock directly owned by Starburst III.

Starburst IV directly owns 851,184 shares of NetScout Common Stock, which represents approximately 2.1% of the outstanding shares of NetScout Common Stock. As described in greater detail in Item 2 above, Advisors IV is the indirect general partner of the entity that is the managing member of Starburst IV. Therefore, Advisors IV may be considered to be the beneficial owner of the NetScout Common Stock directly owned by Starburst IV.

T3 Starburst II directly owns 690,743 shares of NetScout Common Stock, which represents approximately 1.7% of the outstanding shares of NetScout Common Stock. As described in greater detail in Item 2 above, T3 Advisors II is the indirect general partner of the entity that is the managing member of T3 Starburst II. Therefore, T3 Advisors II may be considered to be the beneficial owner of the NetScout Common Stock directly owned by T3 Starburst II.

As described in greater detail in Item 2 above, David Bonderman and James G. Coulter are directors, officers and sole shareholders of Advisors III, Advisors IV and T3 Advisors II. Therefore, Messrs. Bonderman and Coulter may be deemed to be the beneficial owners of the 2,072,223 shares of NetScout Common Stock directly owned in the aggregate by the TPG Stockholders, which represents approximately 5.0% of the outstanding shares of NetScout Common Stock.

The Reporting Persons disclaim beneficial ownership of any shares of NetScout Common Stock held by any other stockholders of NetScout party to the Stockholders Agreement.

References to and descriptions of the Merger Agreement and the Stockholders Agreement set forth above in this Item 5 are not intended to be complete and are qualified in their entirety by reference to the full text of each such agreement.

(c) As described in greater detail in Appendix A, from January 11, 2010 through March 10, 2010, the TPG Stockholders, pro rata based on their respective holdings of NetScout Common Stock, sold an aggregate of 653,300 shares of NetScout Common Stock in a series of transactions on the Nasdaq Global Market. The lowest and highest

price per share of NetScout Common Stock at which the transactions were effected were \$14.30 and \$15.79 per share, respectively.

Page 7 of 11 Pages

Except as disclosed in Appendix A, none of the Reporting Persons nor, to the best knowledge of the Reporting Persons, without independent verification, any person named in Item 2 hereof, has effected any transaction in the shares of NetScout Common Stock during the past 60 days.

(d) To the best knowledge of the Reporting Persons, no person other than the Reporting Persons has the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the securities beneficially owned by the Reporting Persons identified in this Item 5.”

Page 8 of 11 Pages

Appendix A.

This Amendment amends and supplements the Original Schedule 13D by attaching the following Appendix A to the Schedule 13D:

APPENDIX A

TRANSACTIONS IN SHARES OF NETSCOUT COMMON STOCK
DURING THE PAST 60 DAYS

Each of the sales identified below was conducted on behalf of Advisors III, Advisors IV and T3 Advisors II, pro rata based on their respective holdings of NetScout Common Stock. All of the transactions were conducted on the Nasdaq Global Exchange through brokered transactions. If only one trade occurred on a day, the price per share is reflected in the Volume Weighted Average Price column.

Transaction Date	Number of Shares Sold	Highest Price per Share	Lowest Price per Share	Volume Weighted Average Price
1/11/10	31,300	\$14.90	\$14.30	\$14.68
1/12/10	44,500	\$14.86	\$14.32	\$14.57
1/13/10	30,100	\$14.93	\$14.44	\$14.77
1/14/10	16,500	\$15.03	\$14.84	\$14.96
1/15/10	32,000	\$15.10	\$14.64	\$14.82
1/19/10	8,000	\$15.17	\$14.92	\$15.06
2/10/10	7,300	\$14.70	\$14.50	\$14.54
2/11/10	27,900	\$14.68	\$14.43	\$14.55
2/16/10	27,900	\$15.28	\$14.97	\$15.14
2/17/10	27,900	\$15.28	\$14.95	\$15.08
2/19/10	24,000	\$15.26	\$14.99	\$15.16
2/22/10	55,600	\$15.25	\$14.82	\$15.04
2/23/10	57,100	\$15.05	\$14.62	\$14.72
2/24/10	22,700	\$14.97	\$14.67	\$14.81
2/25/10	10,700	\$14.58	\$14.50	\$14.53
2/26/10	18,300	\$14.74	\$14.50	\$14.60
3/4/10	36,900	\$15.12	\$14.90	\$15.04

Transaction Date	Number of Shares Sold	Highest Price per Share	Lowest Price per Share	Volume Weighted Average Price
3/5/10	52,400	\$15.46	\$15.07	\$15.31
3/8/10	28,600	\$15.39	\$15.10	\$15.28
3/9/10	46,100	\$15.55	\$15.26	\$15.47
3/10/10	47,500	\$15.79	\$15.38	\$15.60

Page 10 of 11 Pages

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: March 10, 2010

TPG Advisors III, Inc.

By: /s/ Clive D. Bode
Name: Clive D. Bode
Title: Vice President

TPG Advisors IV, Inc.

By: /s/ Clive D. Bode
Name: Clive D. Bode
Title: Vice President

T3 Advisors II, Inc.

By: /s/ Clive D. Bode
Name: Clive D. Bode
Title: Vice President

David Bonderman

By: /s/ Clive D. Bode
Name: Clive D. Bode on behalf of David
Bonderman (1)

James G. Coulter

By: /s/ Clive D. Bode
Name: Clive D. Bode on behalf of James G.
Coulter (2)

(1) Clive D. Bode is signing on behalf of Mr. Bonderman pursuant to an authorization and designation letter dated September 1, 2009, which was previously filed with the Commission as an exhibit to Schedule 13D/A (SEC File No.: 005-30703) filed by TPG Advisors V, Inc., TPG Advisors VI, Inc., Mr. Bonderman and Mr. Coulter on September 3, 2009.

(2) Clive D. Bode is signing on behalf of Mr. Coulter pursuant to the authorization and designation letter dated September 1, 2009, which was previously filed with the Commission as an exhibit to Schedule 13D/A (SEC File No.: 005-30703) filed by TPG Advisors V, Inc., TPG Advisors VI, Inc., Mr. Bonderman and Mr. Coulter on September 3, 2009.

