

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

Date of Report (Date of earliest event reported): APRIL 26, 2005

ACUITY BRANDS, INC.
(Exact name of registrant as specified in its charter)

| | | |
|---|---------------------------------------|--|
| DELAWARE (State or other jurisdiction of incorporation or organization) | 001-16583 (Commission File Number) | 58-2632672 (I.R.S. Employer Identification No.) |
| 1170 PEACHTREE ST., N.E., SUITE 2400, ATLANTA, GA (Address of principal executive offices) | | 30309 (Zip Code) |

Registrant's telephone number, including area code: 404-853-1400

NOT APPLICABLE
(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:

- 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)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

Effective as of June 1, 2005, Acuity Brands, Inc. (the "Company") appointed Edward H. Bastian as Senior Vice President and Chief Financial Officer. On April 26, 2005, the Company entered into an employment letter (the "Bastian Letter") with Mr. Bastian. The Bastian Letter is filed with this report as Exhibit 10.1 and its contents are incorporated by reference into this Item 1.01. The material terms and conditions of the Bastian Letter are summarized in Item 5.02 below and the contents of such summary are incorporated into this Item 1.01 by reference.

ITEM 5.02 DEPARTURE OF DIRECTORS OR PRINCIPAL OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF PRINCIPAL OFFICERS.

On April 20, 2005, the Company's Board of Directors approved Edward H. Bastian's appointment as Senior Vice President and Chief Financial Officer. The approval was subject to and conditioned upon completion of a background check and execution of an employment letter acceptable to the Company and Mr. Bastian. A press release announcing the appointment of Mr. Bastian is attached hereto as Exhibit 99.1.

Mr. Bastian, age 47, has over twenty-five years of financial experience, most recently serving as Senior Vice President, Finance and Controller of Delta Air Lines, Inc., a position he held since 1998. Mr. Bastian's responsibilities at Delta included internal and external financial reporting, financial planning and analysis, and Sarbanes-Oxley implementation and compliance. Previously, Mr. Bastian served as Vice President of Finance and Controller of Frito-Lay International and as a partner with Price Waterhouse in its audit practice.

Under the terms of the Bastian Letter, Mr. Bastian will be employed as the Senior Vice President and Chief Financial Officer of the Company on an "at will" basis. The material terms and conditions of the Bastian Letter are summarized below, which description is qualified in its entirety by reference to the provisions of the Bastian Letter attached to this report as Exhibit 10.1.

Effective as of June 1, 2005, Karen J. Holcom, who served as Interim Chief Financial Officer since the Company's promotion of Vernon J. Nagel to Chairman and Chief Executive Officer, will no longer serve as Interim Chief Financial Officer but will continue to serve as Vice President and Controller of the Company.

Base Pay

As Senior Vice President and Chief Financial Officer, Mr. Bastian will be paid \$31,250 per month, which annualizes to \$375,000. Mr. Bastian's salary will be reviewed annually beginning in October 2005.

Bonus

Mr. Bastian will receive a one-time sign-on bonus of \$250,000 which will be required to be repaid on a pro rata after-tax basis should Mr. Bastian voluntarily terminate his employment with the Company within three years of June 1, 2005.

Annual Incentive Plan

Mr. Bastian will participate in the Company's Management Compensation and Incentive Plan, which provides an annual bonus opportunity of 55% of salary at target performance with a maximum opportunity of 110% of salary.

Long Term Incentive Plan

Mr. Bastian will participate in the Company's Long Term Incentive Plan, which provides an opportunity for awards calculated as a percentage of Mr. Bastian's base salary and determined by his position in the Tier 1 award structure, by the performance of the Company, and by his contribution to that performance. Beginning in fiscal year 2006, the starting point for any annual award for Mr. Bastian is his base salary multiplied by 90% adjusted for the Company's performance in fiscal year ended August 31, 2005 and for individual performance.

Mr. Bastian will also receive a one-time initial award of 25,000 time-vesting restricted shares of the Company's common stock, which will vest in four equal annual installments beginning June 1, 2006, and a stock option for

25,000 shares, which will vest in three equal annual installments beginning June 1, 2006 and will have an exercise price equal to the fair market value of the Company's common stock on June 1, 2005.

Deferred Compensation Plan

Mr. Bastian will be eligible to participate in the Company's Supplemental Deferred Savings Plan, which currently would allow Mr. Bastian to defer of up to 50% of his annual cash compensation.

Other Benefits

Mr. Bastian will be eligible to participate in the Company's 401(k) Plan and the Company's medical, dental, life insurance, disability, and other benefit programs generally made available to employees of the Company.

Severance Payments

Mr. Bastian will be covered by a Severance Agreement and a Severance Protection Agreement, which will provide Mr. Bastian with severance payments under certain circumstances. Such agreements will be on the terms consistent with the Severance Agreements and Severance Protection Agreements the Company currently has in effect with its senior vice presidents.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

| EXHIBIT NO. | DESCRIPTION |
|-------------|--|
| - - - - - | - - - - - |
| 10.1 | Letter Agreement dated April 26, 2005 between Acuity Brands, Inc. and Edward H. Bastian. |
| 99.1 | Acuity Brands, Inc. press release dated April 27, 2005. |

SIGNATURE

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, thereunto duly authorized.

Date: April 27, 2005

ACUITY BRANDS, INC.

By: /s/ Kenyon W. Murphy

Kenyon W. Murphy
Senior Vice President and
General Counsel

[Acuity Brands, Inc. Letterhead]

April 26, 2005

Edward H. Bastian
[Address]

Dear Ed:

I am pleased to confirm our offer to you of the position of Senior Vice President and Chief Financial Officer for Acuity Brands, Inc. ("Acuity" or "Acuity Brands"). I believe this is an exciting opportunity for you, and I am confident that you will have a significant impact on the future success of the Corporation. This letter confirms the details of our offer.

EFFECTIVE DATE

You will assume the duties of your new position effective as of June 1, 2005 (the "Effective Date").

DUTIES

You will be employed on a full-time basis as the Senior Vice President and Chief Financial Officer for Acuity Brands and will report to the Chairman and Chief Executive Officer. In that capacity, you will perform the duties and responsibilities normally associated with that position, including those described on Exhibit "A" attached hereto.

COMPENSATION

BASE SALARY

Your starting base salary will be \$31,250 per month, paid on a monthly basis in arrears and based on an annual salary of \$375,000. Your salary will be reviewed annually beginning October 2005.

SIGN-ON BONUS

You will receive a sign-on bonus of \$250,000, which will be paid in lieu of relocation expenses. Should you voluntarily terminate your employment with Acuity Brands, Inc. within three years of the Effective Date, you will be required to repay the sign-on bonus on a pro rata, after tax basis, assuming a tax rate of 45%.

ANNUAL INCENTIVE PLAN

You will participate in the Acuity Brands, Inc. Management Compensation and Incentive Plan, currently providing an annual bonus opportunity of 55% of salary at target performance, with a maximum opportunity of 110% of salary. Your fiscal year 2005 bonus will be calculated pro rata based on the number of weeks of your employment with Acuity Brands during the fiscal year ending August 31, 2005.

LONG-TERM INCENTIVE PLAN

You will participate in the Acuity Brands, Inc. Long-Term Incentive Plan (the "Plan"). Under the terms of the Plan you will have the opportunity for awards calculated as a percentage of your base salary and determined by your position in Tier 1 of the award structure, by the performance of Acuity Brands, and by your contribution to that performance. Your base salary multiplied by 90% will be used as the starting point for any annual award that may be granted beginning in fiscal year 2006, adjusted for the performance of Acuity Brands for the fiscal year ended August 31, 2005 and your individual performance for the portion of the year you are employed.

You will receive a one-time initial award under the Plan of 25,000 time-vesting restricted shares, which will vest in four equal annual installments beginning one year from the Effective Date, and a stock option for 25,000 shares, which will vest in three equal annual installments beginning one year from the Effective Date and will have an exercise price equal to the fair market value (closing price) of Acuity Brands common stock on the Effective Date.

RETIREMENT PLANS

You will be eligible to participate in the Acuity Brands, Inc. 401(k) Plan, which currently includes a company match of 60% of deferrals up to 6% of salary, subject to applicable federal limitations.

You will be eligible to participate in the Acuity Brands, Inc. 2002 Supplemental Executive Retirement Plan (the "SERP"), as it may be revised or replaced to comply with Section 409A of the Internal Revenue Code. Your benefits under the SERP will be determined pursuant to the standard provisions of the SERP in accordance with the effective date of your eligibility.

DEFERRED COMPENSATION PLAN

You will be eligible to participate in the Acuity Brands, Inc. Supplemental Deferred Savings Plan (the "SDSP" or "Plan") under the standard provisions of the Plan or such subsequent deferred compensation plan that may be adopted to comply with Section 409A of the Internal Revenue Code. Under the current provisions of the SDSP, you may defer up to 50% of your annual cash compensation (base salary and bonus), which earns interest at the prime rate. (As an executive officer with eligibility for the SERP, you will not be eligible to receive the company contribution or match under the SDSP.)

MEDICAL, LIFE INSURANCE, AND OTHER EMPLOYEE BENEFITS

You will be eligible to participate in the medical, dental, life insurance, disability, and other benefit programs generally made available to employees of Acuity Brands, which include:

Medical
Prescription Drug Plan
Life Insurance
Short-Term Disability
Long-Term Disability
Flex Benefit Program
Voluntary Dental Program
Voluntary EyeMed Program

VACATION

You will be entitled to four (4) weeks vacation per calendar year.

EMPLOYMENT AT WILL/SEVERANCE PAYMENTS/CHANGE IN CONTROL

Your employment will be at will and may be terminated by either Acuity Brands, Inc. or by you at any time for any reason, with or without notice. Except in the event of a termination in connection with a Change in Control of Acuity Brands, Inc. (as defined in the Severance Protection Agreement that will cover you), you will be covered by a Severance Agreement consistent with those provided other senior vice presidents of the Corporation, which provides you a severance benefit in the event your employment in this position is terminated for any reason other than voluntary termination (including early or normal retirement), termination upon death or Disability, or termination by Acuity Brands for Cause. The terms Cause and Disability used in this paragraph will be defined in the Severance Agreement.

With respect to Change in Control situations, you will be covered by a Severance Protection Agreement with the same provisions as are generally applicable to officers of Acuity Brands at a multiple of two times base salary. In the event of your termination in connection with a Change in Control that entitles you to benefits under the Severance Protection Agreement, you will receive the greater of the payments and benefits provided under the Severance Protection Agreement or the severance payment described above.

The base salary, annual incentive, long-term incentive, nonqualified retirement benefits, and any severance payment will be structured to provide the tax deductibility to Acuity Brands, Inc. of the payments and benefits under the Internal Revenue Code of 1986.

We look forward to your joining Acuity Brands and to a long and mutually satisfactory relationship. This letter outlines your employment relationship with Acuity Brands; if you agree with the employment terms as outlined above, please sign and date both copies of this letter agreement and return one copy to me at your earliest convenience.

Sincerely,

/s/ Vernon J. Nagel

Vernon J. Nagel
Chairman and Chief Executive Officer

ACCEPTED AND AGREED TO THIS
26th day of April, 2005

/s/ Edward H. Bastian

Edward H. Bastian

ACUITY BRANDS NAMES EDWARD H. BASTIAN
AS SENIOR VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

ATLANTA -- (BUSINESS WIRE) -- April 27, 2005 -- Acuity Brands, Inc. (NYSE: AYI) announced today that Edward H. Bastian, age 47, will be joining the Company as Senior Vice President and Chief Financial Officer on June 1, 2005. Mr. Bastian has over twenty-five years of financial experience, most recently as Senior Vice President, Finance and Controller of Delta Air Lines, Inc. Mr. Bastian's responsibilities at Delta included internal and external financial reporting, financial planning and analysis, and Sarbanes-Oxley implementation and compliance. Mr. Bastian spearheaded the implementation of SAP financial systems at Delta, including process and organization redesign, and was instrumental in the company's cost reduction efforts following the events of September 11, 2001. Previously, Mr. Bastian served as Vice President of Finance and Controller of Frito-Lay International and as a partner with Price Waterhouse in its audit practice.

Karen J. Holcom, who has served as Interim Chief Financial Officer since the Company's promotion of Vernon J. Nagel to Chairman and Chief Executive Officer, will continue to serve as Vice President and Controller of Acuity Brands.

Vernon J. Nagel, Chairman and Chief Executive Officer of Acuity Brands, said, "We conducted an extensive search for the right person to serve as the Chief Financial Officer of Acuity Brands, and we are excited to add Ed Bastian to our senior management team. Ed has built a strong track record of success and achievement in his career. His financial and strategic management skills will be of tremendous value to Acuity Brands as we continue to implement programs to accomplish our goal of becoming a high performance organization for our customers, shareholders, and employees."

Mr. Bastian said, "I look forward to joining Acuity Brands. The Company is solidly positioned in its markets and is seeking to become even stronger, with customer and operational excellence its top priorities. I look forward to contributing to the Company's future success."

Acuity Brands, Inc., with fiscal year 2004 net sales of over \$2.1 billion, is comprised of Acuity Brands Lighting and Acuity Specialty Products. Acuity Brands Lighting is one of the world's leading providers of lighting fixtures and includes brands such as Lithonia Lighting(R), Holophane(R), Peerless(R), Hydrel(R), American Electric Lighting(R), and Gotham(R). Acuity Specialty Products is a leading provider of specialty chemicals and includes brands such as Zep(R), Zep Commercial(TM), Enforcer(R), and Selig(TM). Headquartered in Atlanta, Georgia, Acuity Brands employs approximately 10,000 people and has operations throughout North America and in Europe and Asia.