
**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: February 27, 2015
(Date of earliest event reported)

A. M. CASTLE & CO.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of
incorporation)

1-5415
(Commission File Number)

36-0879160
(IRS Employer Identification No.)

**1420 Kensington Road, Suite 220
Oak Brook, IL 60523**
(Address of principal executive offices)

Registrant's telephone number including area code: **(847) 455-7111**

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 (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)
- 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 13 e-4(c) under the Exchange Act (17 CFR 240.13 e-4(c))

Item 2.02 Results of Operations and Financial Condition.

In accordance with General Instruction B.2 to Form 8-K, the following information shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

The information regarding the results of operations and financial condition of A. M. Castle & Co. (the “Company”) for the fourth quarter and year ended December 31, 2014, responsive to this Item 2.02, and contained in Exhibit 99.1 filed herewith, is incorporated into this Item 2.02 by reference.

Item 7.01 Regulation FD Disclosure.

In accordance with General Instruction B.2 to Form 8-K, the following information shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

A. M. Castle & Co. (the “Company”), a global distributor of specialty metal and plastic products, value-added services and supply chain solutions, will present via live web cast its fiscal 2014 and fourth quarter financial results on Friday, February 27, 2015, at 11:00 a.m. ET. Copies of the slides containing financial and operating information to be used as part of the web cast are attached as Exhibit 99.2 to this Current Report and are incorporated by reference herein.

The call can be accessed via the internet live or as a replay. Those who would like to listen to the call may access the webcast through a link on the investor relations page of the Company's website at <http://www.amcastle.com/investors/default.aspx> or by calling (800) 774-6070 or (630) 691-2753 and citing code 7608998#.

An archived version of the conference call webcast will be available for replay at the link above approximately three hours following its conclusion, and will remain available until the next earnings conference call.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

The following documents are filed herewith:

| Exhibit Number | Description |
|-----------------------|---|
| 99.1 | Press Release, dated February 27, 2015. |
| 99.2 | Slide Presentation for Fourth Quarter and Full Year 2014 Financial Results webcast to be held on February 27, 2015. |

Cautionary Statement on Risks Associated with Forward Looking Statements

Information provided and statements contained in this release that are not purely historical are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (“Securities Act”), Section 21E of the Securities Exchange Act of 1934, as amended (“Exchange Act”), and the Private Securities Litigation Reform Act of 1995. Such forward-looking statements only speak as of the date of this release and the Company assumes no obligation to update the information included in this release. Such forward-looking statements include information concerning our possible or assumed future results of operations, including descriptions of our business strategy. These statements often include words such as “believe,” “expect,” “anticipate,” “intend,” “predict,” “plan,” “should,” or similar expressions. These statements are not guarantees of performance or results, and they involve risks, uncertainties, and assumptions. Although we believe that these forward-looking statements are based on reasonable assumptions, there are many factors that could affect our actual financial results or results of operations and could cause actual results to differ materially from those in the forward-looking statements, including those risk factors identified in Item 1A “Risk Factors” of our Annual Report on Form 10-K for the fiscal year ended December 31, 2013. All future written and oral forward-looking statements by us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to above. Except as required by the federal securities laws, we do not have any obligations or intention to release publicly any revisions to any forward-looking statements to reflect events or circumstances in the future, to reflect the occurrence of unanticipated events or for any other reason.

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.

A.M. CASTLE & CO.

February 27, 2015

By: /s/ Marec E. Edgar

Marec E. Edgar

Vice President, General Counsel & Secretary

EXHIBIT INDEX

| Exhibit No. | Description | Page No. |
|--------------------|---|-----------------|
| 99.1 | Press Release, dated February 27, 2015. | EX-1- |
| 99.2 | Slide Presentation for Fourth Quarter and Full Year 2014 Financial Results webcast to be held on February 27, 2015. | EX-8- |



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For Further Information:

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Traded: NYSE (CAS)
Member: S&P SmallCap 600 Index

**FOR IMMEDIATE RELEASE
FRIDAY, FEBRUARY 27, 2015**

A. M. CASTLE & CO. REPORTS FOURTH QUARTER AND YEAR END 2014 RESULTS
CONWAY MACKENZIE ENGAGED TO IMPROVE CASH FLOW AND PROFITABILITY
A. JEFFREY ZAPPONE OF CONWAY MACKENZIE APPOINTED INTERIM CHIEF OPERATING OFFICER

Company to continue profitability improvement activities in 2015

OAK BROOK, IL, FEBRUARY 27th - A. M. Castle & Co. (NYSE: CAS) (“the Company”), a global distributor of specialty metal and plastic products, value-added services and supply chain solutions, today reported financial results for the fourth quarter and year ended December 31, 2014.

Consolidated net sales were \$231.5 million for fourth quarter 2014 compared to \$233.2 million in fourth quarter 2013 and \$245.5 million in third quarter 2014. The Company reported a fourth quarter 2014 net loss of \$39.1 million, or a net loss of \$1.67 per diluted share. Fourth quarter 2013 net loss was \$12.6 million, or a net loss of \$0.54 per diluted share, and third quarter 2014 net loss was \$7.3 million, or a net loss of \$0.31 per diluted share. Adjusted non-GAAP net loss for fourth quarter 2014 was \$38.5 million compared to adjusted non-GAAP net loss of \$13.5 million in fourth quarter 2013. The Company reported a fourth quarter 2014 EBITDA loss of \$14.3 million, compared to EBITDA of \$0.3 million in fourth quarter 2013. Fourth quarter 2014 adjusted EBITDA loss was \$13.7 million compared to adjusted EBITDA of \$0.4 million in fourth quarter 2013. Fourth quarter 2014 results were negatively impacted by \$8.2 million of provisions for inventory reserves and \$2.9 million of other expense related to foreign currency transaction losses. Fourth quarter 2013 results included \$1.6 million of provisions for inventory reserves and \$0.5 million of foreign currency transaction losses.

"2014 was a year of significant change for the Company. We continued our restructuring and cost improvement efforts which included consolidation of certain facilities and strategic de-layering through headcount reductions. In light of the currently challenging market conditions, especially in the Oil and Gas sector, we have engaged Conway MacKenzie to expand and accelerate these efforts. Mr. A. Jeffrey Zappone of Conway MacKenzie has been appointed interim Chief Operating Officer of the Company. Jeff is a Certified Turnaround Professional with extensive experience in improving cash flow and profitability," said Scott Dolan, CEO of A. M. Castle.

Net sales from the Metals segment during fourth quarter 2014 were \$197.8 million, which was 1.3% lower than fourth quarter 2013 and 6.1% lower than the third quarter 2014. Average selling price per ton sold was down 1.2% from both fourth quarter 2013 and third quarter 2014. Tons sold were up 3.2% compared to fourth quarter 2013 and down 3.5% compared to third quarter 2014.

In the Plastics segment, fourth quarter 2014 net sales were \$33.6 million which was 2.7% higher than fourth quarter 2013 and 3.3% lower than third quarter 2014. The automotive, marine, life science and home goods markets drove solid performance in our Plastics segment in fourth quarter 2014.

Gross margins were 21.4% in fourth quarter 2014 compared to 26.4% in fourth quarter 2013 and 24.9% in third quarter 2014. Gross margins included LIFO income of \$0.3 million in fourth quarter 2014 compared to LIFO income of \$3.9 million in fourth quarter 2013 and a \$0.4 million LIFO charge in third quarter 2014. The fourth quarter 2014 included an increase in inventory reserves as certain aged inventory was determined to be excess or obsolete. The fourth quarter 2014 increase in the inventory reserves had a 3.5% negative impact on gross margins.

Excluding restructuring activity expense of \$0.5 million, operating expenses were \$68.8 million in fourth quarter 2014 compared to \$69.3 million in fourth quarter 2013 and \$66.0 million in third quarter 2014 excluding \$0.3 million of restructuring activity expense and \$5.1 million of net gains from restructuring activity, respectively.

Full year 2014 consolidated net sales were \$979.8 million compared to \$1,053.1 million in 2013. The Company reported a net loss of \$134.7 million in 2014, or a loss of \$5.77 per diluted share, which included a \$56.2 million non-cash goodwill impairment charge. Net loss in 2013 was \$34.0 million, or \$1.46 per diluted share. Adjusted non-GAAP net loss for 2014 was \$86.4 million compared to adjusted non-GAAP net loss of \$28.1 million in 2013. The Company reported a 2014 EBITDA loss of \$69.5 million, which included a \$56.2 million non-cash goodwill impairment charge, compared to EBITDA of \$15.6 million in 2013. Adjusted EBITDA loss for 2014 was \$17.5 million compared to adjusted EBITDA of \$26.2 million in 2013. Full year 2014 results were negatively impacted by \$8.7 million of provisions for inventory reserves and \$4.3 million of other expense related to foreign currency transaction losses compared to \$2.8 million of inventory reserve provisions and \$1.9 million of foreign currency transaction losses in 2013. Foreign currency transaction losses included \$3.5 million of non-cash charges in 2014 and \$1.5 million of non-cash charges in 2013.

Net cash used in operations was \$75.1 million during 2014 as \$26.9 million of cash was used for additional investments in inventory, compared to net cash from operations of \$74.4 million during 2013. The Company had \$59.2 million of borrowings under its revolving credit facility at December 31, 2014 and \$41.2 million of additional unrestricted borrowing capacity available under the terms of the revolving credit facility. There were no borrowings under the revolving credit facility at December 31, 2013. The Company's net debt-to-capital ratio was 65.5% at December 31, 2014 compared to 38.7% at December 31, 2013. Total debt outstanding, net of unamortized discount, was \$310.1 million at December 31, 2014 and \$246.0 million at December 31, 2013. Refer to the 'Total Debt' table below for details related to the Company's outstanding debt obligations.

Dolan concluded, "We enter 2015 with a renewed focus on our turnaround efforts and look forward to improving our operating performance this year."

Webcast Information

Management will hold a conference call at 11:00 a.m. ET today to review the Company's results for the fourth quarter and year ended December 31, 2014 and discuss business conditions and outlook. The call can be accessed via the internet live or as a replay. Those who would like to listen to the call may access the webcast through a link on the investor relations page of the Company's website at <http://www.amcastle.com/investors/default.aspx> or by calling (800) 774-6070 or (630) 691-2753 and citing code 7608 998#. A supplemental presentation accompanying the webcast can also be accessed at the link provided at the investor relations page of the Company's website.

An archived version of the conference call webcast will be available for replay at the link above approximately three hours following its conclusion, and will remain available until the next earnings conference call.

About A. M. Castle & Co.

Founded in 1890, A. M. Castle & Co. is a global distributor of specialty metal and plastic products and supply chain services, principally serving the producer durable equipment, oil and gas, commercial aircraft, heavy equipment, industrial goods, construction equipment, retail, marine and automotive sectors of the global economy. Its customer base includes many Fortune 500 companies as well as thousands of medium and smaller-sized firms spread across a variety of industries. Within its metals business, it specializes in the distribution of alloy and stainless steels; nickel alloys; aluminum and carbon. Through its wholly-owned subsidiary, Total Plastics, Inc., the Company also distributes a broad range of value-added industrial plastics. Together, Castle and its affiliated companies operate out of 47 service centers located throughout North America, Europe and Asia. Its common stock is traded on the New York Stock Exchange under the ticker symbol "CAS".

Conway MacKenzie

Conway MacKenzie is a leading consulting and advisory firm that provides custom solutions to businesses in virtually every industry. They proactively work with clients to identify issues, develop solutions, and implement industry-specific action plans to achieve the optimal results for clients. Their professionals work collaboratively, bringing to bear insights gleaned from years of experience working in various industries as executives and owners, as well as in the consulting world. Their mandate is simple and direct: improve results and restore value to the company and its stakeholders.

Regulation G Disclosure

This release and the financial statements included in this release include non-GAAP financial measures. The non-GAAP financial information should be considered supplemental to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. However, we believe that non-GAAP reporting, giving effect to the adjustments shown in the reconciliation contained in this release and in the attached financial statements, provides meaningful information and therefore we use it to supplement our GAAP reporting and guidance. Management often uses this information to assess and measure the performance of our business. We have chosen to provide this supplemental information to investors, analysts and other interested parties to enable them to perform additional analyses of operating results, to illustrate the results of operations giving effect to the non-GAAP adjustments shown in the reconciliations and to assist with period-over-period comparisons of such operations. The exclusion of the charges indicated herein from the non-GAAP financial measures presented does not indicate an expectation by the Company that similar charges will not be incurred in subsequent periods.

In addition, the Company believes that the use and presentation of EBITDA, which is defined by the Company as income before provision for income taxes plus depreciation and amortization, and interest expense, less interest income, is widely used by the investment community for evaluation purposes and provides investors, analysts and other interested parties with additional information in analyzing the Company's operating results. Adjusted non-GAAP net income and adjusted EBITDA, which are defined as reported net income and EBITDA adjusted for non-cash items and items which are not considered by management to be indicative of the underlying results, are presented as the Company believes the information is important to provide investors, analysts and other interested parties additional information about the Company's financial performance. Management uses EBITDA, adjusted non-GAAP net income and adjusted EBITDA to evaluate the performance of the business.

Cautionary Statement on Risks Associated with Forward Looking Statements

Information provided and statements contained in this release that are not purely historical are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended ("Securities Act"), Section 21E of the Securities Exchange Act of 1934, as amended ("Exchange Act"), and the Private Securities Litigation Reform Act of 1995. Such forward-looking statements only speak as of the date of this release and the Company assumes no obligation to update the information included in this release. Such forward-looking statements include information concerning our possible or assumed future results of operations, including descriptions of our business strategy. These statements often include words such as "believe," "expect," "anticipate," "intend," "predict," "plan," "should," or similar expressions. These statements are not guarantees of performance or results, and they involve risks, uncertainties, and assumptions. Although we believe that these forward-looking statements are based on reasonable assumptions, there are many factors that could affect our actual financial results or results of operations and could cause actual results to differ materially from those in the forward-looking statements, including those risk factors identified in Item 1A "Risk Factors" of our Annual Report on Form 10-K for the fiscal year ended December 31, 2013. All future written and oral forward-looking statements by us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to above. Except as required by the federal securities laws, we do not have any obligations or intention to release publicly any revisions to any forward-looking statements to reflect events or circumstances in the future, to reflect the occurrence of unanticipated events or for any other reason.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Dollars in thousands, except per share data)

Unaudited

| | For the Three Months Ended | | For the Year Ended | |
|--|-----------------------------------|--------------------|---------------------------|--------------------|
| | December 31, | | December 31, | |
| | 2014 | 2013 | 2014 | 2013 |
| Net sales | \$ 231,466 | \$ 233,229 | \$ 979,837 | \$ 1,053,066 |
| Costs, expenses and (gains): | | | | |
| Cost of materials (exclusive of depreciation and amortization) | 181,930 | 171,558 | 746,443 | 779,208 |
| Warehouse, processing and delivery expense | 33,991 | 34,722 | 140,559 | 140,934 |
| Sales, general, and administrative expense | 28,185 | 27,977 | 112,465 | 113,405 |
| Restructuring activity, net | 541 | 300 | (2,960) | 9,003 |
| Depreciation and amortization expense | 6,655 | 6,584 | 26,044 | 26,188 |
| Impairment of goodwill | — | — | 56,160 | — |
| Operating loss | (19,836) | (7,912) | (98,874) | (15,672) |
| Interest expense, net | (10,560) | (10,087) | (40,548) | (40,542) |
| Loss on extinguishment of debt | — | (2,606) | — | (2,606) |
| Other expense, net | (2,896) | (536) | (4,323) | (1,924) |
| Loss before income taxes and equity in earnings of joint venture | (33,292) | (21,141) | (143,745) | (60,744) |
| Income taxes | (7,565) | 6,340 | 1,353 | 19,795 |
| Loss before equity in earnings of joint venture | (40,857) | (14,801) | (142,392) | (40,949) |
| Equity in earnings of joint venture | 1,777 | 2,171 | 7,691 | 6,987 |
| Net loss | <u>\$ (39,080)</u> | <u>\$ (12,630)</u> | <u>\$ (134,701)</u> | <u>\$ (33,962)</u> |
| Basic loss per share | <u>\$ (1.67)</u> | <u>\$ (0.54)</u> | <u>\$ (5.77)</u> | <u>\$ (1.46)</u> |
| Diluted loss per share | <u>\$ (1.67)</u> | <u>\$ (0.54)</u> | <u>\$ (5.77)</u> | <u>\$ (1.46)</u> |
| EBITDA ^(a) | <u>\$ (14,300)</u> | <u>\$ 307</u> | <u>\$ (69,462)</u> | <u>\$ 15,579</u> |

(a) Earnings (loss) before interest, taxes, and depreciation and amortization. See reconciliation to net loss below.

| | For the Three Months Ended | | For the Year Ended | |
|---|-----------------------------------|---------------|---------------------------|------------------|
| | December 31, | | December 31, | |
| | 2014 | 2013 | 2014 | 2013 |
| Reconciliation of EBITDA and of adjusted EBITDA to net loss: | | | | |
| <i>(Dollars in thousands)</i> | | | | |
| <i>Unaudited</i> | | | | |
| Net loss | \$ (39,080) | \$ (12,630) | \$ (134,701) | \$ (33,962) |
| Depreciation and amortization expense | 6,655 | 6,584 | 26,044 | 26,188 |
| Interest expense, net | 10,560 | 10,087 | 40,548 | 40,542 |
| Loss on extinguishment of debt | — | 2,606 | — | 2,606 |
| Income taxes | 7,565 | (6,340) | (1,353) | (19,795) |
| EBITDA | (14,300) | 307 | (69,462) | 15,579 |
| Non-GAAP net loss adjustments ^(b) | 619 | 92 | 51,944 | 10,597 |
| Adjusted EBITDA | <u>\$ (13,681)</u> | <u>\$ 399</u> | <u>\$ (17,518)</u> | <u>\$ 26,176</u> |

(b) Non-GAAP net loss adjustments relate to restructuring activity and unrealized (gains) losses for commodity hedges for all periods presented and impairment of goodwill for the year ended December 31, 2014. Refer to 'Reconciliation of Adjusted Non-GAAP Net Loss to Reported Net Loss' table for additional details on these amounts.

CONDENSED CONSOLIDATED BALANCE SHEETS*(In thousands, except par value data)**Unaudited*

As of

| | December 31, 2014 | December 31, 2013 |
|--|----------------------|----------------------|
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | \$ 8,454 | \$ 30,829 |
| Accounts receivable, less allowances of \$3,375 and \$3,463 | 131,003 | 128,544 |
| Inventories, principally on last-in first-out basis (replacement cost higher by \$129,779 and \$130,854) | 236,932 | 214,900 |
| Prepaid expenses and other current assets | 9,458 | 9,927 |
| Deferred income taxes | 685 | 3,242 |
| Income tax receivable | 2,886 | 3,249 |
| Total current assets | 389,418 | 390,691 |
| Investment in joint venture | 37,443 | 41,879 |
| Goodwill | 12,973 | 69,289 |
| Intangible assets, net | 56,555 | 69,489 |
| Prepaid pension cost | 7,092 | 16,515 |
| Other assets | 11,660 | 15,265 |
| Property, plant and equipment | | |
| Land | 4,466 | 4,917 |
| Buildings | 52,821 | 53,252 |
| Machinery and equipment | 183,923 | 179,632 |
| Property, plant and equipment, at cost | 241,210 | 237,801 |
| Less - accumulated depreciation | (168,375) | (161,107) |
| Property, plant and equipment, net | 72,835 | 76,694 |
| Total assets | \$ 587,976 | \$ 679,822 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities | | |
| Accounts payable | \$ 68,782 | \$ 69,577 |
| Accrued payroll and employee benefits | 9,332 | 9,853 |
| Accrued and other liabilities | 18,338 | 20,154 |
| Income taxes payable | 328 | 1,360 |
| Current portion of long-term debt | 737 | 397 |
| Total current liabilities | 97,517 | 101,341 |
| Long-term debt, less current portion | 309,377 | 245,599 |
| Deferred income taxes | 8,360 | 10,733 |
| Other non-current liabilities | 3,655 | 5,646 |
| Pension and postretirement benefit obligations | 18,747 | 6,609 |
| Commitments and contingencies | | |
| Stockholders' equity | | |
| Preferred stock, \$0.01 par value—9,988 shares authorized (including 400 Series B Junior Preferred \$0.00 par value shares); no shares issued and outstanding at December 31, 2014 and December 31, 2013 | — | — |
| Common stock, \$0.01 par value—60,000 shares authorized and 23,630 shares issued and 23,559 outstanding at December 31, 2014 and 23,471 shares issued and 23,409 outstanding at December 31, 2013 | 236 | 234 |
| Additional paid-in capital | 225,953 | 223,893 |
| (Accumulated deficit) retained earnings | (29,424) | 105,277 |
| Accumulated other comprehensive loss | (45,565) | (18,743) |
| Treasury stock, at cost—71 shares at December 31, 2014 and 62 shares at December 31, 2013 | (880) | (767) |
| Total stockholders' equity | 150,320 | 309,894 |
| Total liabilities and stockholders' equity | \$ 587,976 | \$ 679,822 |

CONSOLIDATED STATEMENTS OF CASH FLOWS*(Dollars in thousands)**Unaudited***For the Year Ended****December 31,****2014****2013**

| | 2014 | 2013 |
|--|-----------------|------------------|
| Operating activities: | | |
| Net loss | \$ (134,701) | \$ (33,962) |
| Adjustments to reconcile net loss to net cash (used in) from operating activities: | | |
| Depreciation and amortization | 26,044 | 26,188 |
| Amortization of deferred gain | (261) | (1,214) |
| Amortization of deferred financing costs and debt discount | 8,064 | 7,914 |
| Impairment of goodwill | 56,160 | — |
| (Gain) loss on sale of property, plant and equipment | (5,603) | 42 |
| Unrealized (gains) losses on commodity hedges | (1,256) | 358 |
| Unrealized foreign currency transaction losses | 3,540 | — |
| Equity in earnings of joint venture | (7,691) | (6,987) |
| Dividends from joint venture | 12,127 | 3,963 |
| Deferred tax expense (benefit) | 184 | (24,089) |
| Share-based compensation expense | 1,972 | 3,062 |
| Excess tax benefits from share-based payment arrangements | (76) | (420) |
| Increase (decrease) from changes in: | | |
| Accounts receivable | (5,785) | 9,279 |
| Inventories | (26,941) | 87,316 |
| Prepaid expenses and other current assets | (60) | 1,402 |
| Other assets | 1,686 | 1,470 |
| Prepaid pension costs | 387 | 3,953 |
| Accounts payable | 2,630 | (434) |
| Accrued payroll and employee benefits | (230) | (1,892) |
| Income taxes payable and receivable | (772) | 4,388 |
| Accrued liabilities | (3,493) | (2,854) |
| Postretirement benefit obligations and other liabilities | (1,002) | (3,098) |
| Net cash (used in) from operating activities | <u>(75,077)</u> | <u>74,385</u> |
| Investing activities: | | |
| Capital expenditures | (12,351) | (11,604) |
| Proceeds from sale of property, plant and equipment | 7,464 | 794 |
| Net cash used in investing activities | <u>(4,887)</u> | <u>(10,810)</u> |
| Financing activities: | | |
| Short-term debt repayments | — | (496) |
| Proceeds from long-term debt | 462,404 | 115,300 |
| Repayments of long-term debt | (403,811) | (170,345) |
| Payment of debt issue costs | (627) | — |
| Exercise of stock options | 158 | 1,216 |
| Excess tax benefits from share-based payment arrangements | 76 | 420 |
| Net cash from (used in) financing activities | <u>58,200</u> | <u>(53,905)</u> |
| Effect of exchange rate changes on cash and cash equivalents | (611) | (448) |
| Net change in cash and cash equivalents | <u>(22,375)</u> | <u>9,222</u> |
| Cash and cash equivalents—beginning of year | 30,829 | 21,607 |
| Cash and cash equivalents—end of year | <u>\$ 8,454</u> | <u>\$ 30,829</u> |

Reconciliation of Adjusted Non-GAAP Net Loss to Reported Net Loss:

(Dollars in thousands, except per share data)

Unaudited

| | For the Three Months Ended | | For the Year Ended | |
|---|-----------------------------------|--------------------|---------------------------|--------------------|
| | December 31, | | December 31, | |
| | 2014 | 2013 | 2014 | 2013 |
| Net loss, as reported | \$ (39,080) | \$ (12,630) | \$ (134,701) | \$ (33,962) |
| Restructuring activity ^(a) | 541 | 300 | (2,960) | 10,239 |
| Impairment of goodwill | — | — | 56,160 | — |
| Unrealized (gains) losses on commodity hedges | 78 | (208) | (1,256) | 358 |
| Tax effect of adjustments | — | (937) | (3,677) | (4,709) |
| Adjusted non-GAAP net loss | <u>\$ (38,461)</u> | <u>\$ (13,475)</u> | <u>\$ (86,434)</u> | <u>\$ (28,074)</u> |
| Adjusted non-GAAP basic loss per share | <u>\$ (1.64)</u> | <u>\$ (0.58)</u> | <u>\$ (3.70)</u> | <u>\$ (1.21)</u> |
| Adjusted non-GAAP diluted loss per share | <u>\$ (1.64)</u> | <u>\$ (0.58)</u> | <u>\$ (3.70)</u> | <u>\$ (1.21)</u> |

(a) Restructuring activity includes costs associated with the write-off of inventory included in cost of materials within the condensed consolidated statement of operations for the year ended December 31, 2013 and costs (gains) recorded to the restructuring activity line item within the condensed consolidated statements of operations for all periods presented.

Total Debt:

(Dollars in thousands)

Unaudited

| | As of | |
|---|---------------------|---------------------|
| | December 31, | December 31, |
| | 2014 | 2013 |
| LONG-TERM DEBT | | |
| 12.75% Senior Secured Notes due December 15, 2016 | \$ 210,000 | \$ 210,000 |
| 7.0% Convertible Notes due December 15, 2017 | 57,500 | 57,500 |
| Revolving Credit Facility due December 10, 2019 | 59,200 | — |
| Other, primarily capital leases | 1,257 | 998 |
| Total long-term debt | <u>327,957</u> | <u>268,498</u> |
| Less: unamortized discount | (17,843) | (22,502) |
| Less: current portion | (737) | (397) |
| Total long-term portion | <u>309,377</u> | <u>245,599</u> |
| TOTAL DEBT | <u>\$ 310,114</u> | <u>\$ 245,996</u> |

Reconciliation of Total Debt to Net Debt and Net Debt-to-Capital:

(Dollars in thousands)

Unaudited

| | As of | |
|---------------------------------|---------------------|---------------------|
| | December 31, | December 31, |
| | 2014 | 2013 |
| Total Debt | \$ 310,114 | \$ 245,996 |
| Less: Cash and Cash Equivalents | (8,454) | (30,829) |
| NET DEBT | <u>\$ 301,660</u> | <u>\$ 215,167</u> |
| Stockholders' Equity | \$ 150,320 | \$ 309,894 |
| Total Debt | 310,114 | 245,996 |
| CAPITAL | <u>\$ 460,434</u> | <u>\$ 555,890</u> |
| NET DEBT-TO-CAPITAL | <u>65.5%</u> | <u>38.7%</u> |



A. M. Castle & Co. Supplement: Q4 2014 Earnings Conference Call

February 27, 2015

NYSE: CAS



Forward Looking Statements

Information provided and statements contained in this presentation that are not purely historical are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (“Securities Act”), Section 21E of the Securities Exchange Act of 1934, as amended (“Exchange Act”), and the Private Securities Litigation Reform Act of 1995. Such forward-looking statements only speak as of the date of this release and the company assumes no obligation to update the information included in this release. Such forward-looking statements include, but are not limited to, statements concerning our possible or assumed future results of operations, and our expectations and estimates relating to restructuring activities, including restructuring charges and timing of cash payments related thereto, and operational flexibility, savings, and efficiencies from such restructuring actions. These statements often include words such as “believe,” “expect,” “anticipate,” “intend,” “goal,” “plan,” “should,” or similar expressions. These statements are not guarantees of performance or results, and they involve risks, uncertainties, and assumptions. Although we believe that these forward-looking statements are based on reasonable assumptions, there are many factors that could affect our actual financial results or results of operations and could cause actual results to differ materially from those in the forward-looking statements. For a further description of these risk factors, see the risk factors identified in our filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the fiscal year ended December 31, 2013. All future written and oral forward-looking statements by us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to above. Except as required by the federal securities laws, we do not have any obligations or intention to release publicly any updates or revisions to any forward-looking statements to reflect events or circumstances in the future, to reflect the occurrence of unanticipated events or for any other reason.



Regulation G & Other Cautionary Notes

This presentation includes non-GAAP financial measures to assist the reader in understanding our business. The non-GAAP financial information should be considered supplemental to, and not as a substitute for, or superior to, financial measures calculated in accordance with U. S. GAAP (“GAAP”). However, we believe that non-GAAP reporting, giving effect to the adjustments shown in the reconciliation contained in the appendix to this presentation, provides meaningful information and therefore we use it to supplement our GAAP guidance. Management often uses this information to assess and measure the performance of our business. We have chosen to provide this supplemental information to investors, analysts and other interested parties to enable them to perform additional analyses of operating results, to illustrate the results of operations giving effect to the non-GAAP adjustments shown in the reconciliations and to assist with period-over-period comparisons of such operations. The exclusion of the charges indicated herein from the non-GAAP financial measures presented does not indicate an expectation by the Company that similar charges will not be incurred in subsequent periods.

In addition, the Company believes that the use and presentation of EBITDA, which is defined by the Company as income before provision/benefit for income taxes plus depreciation and amortization, and interest expense, less interest income, is widely used by the investment community for evaluation purposes and provides the investors, analysts and other interested parties with additional information in analyzing the Company’s operating results. EBITDA should not be considered as an alternative to net income or any other item calculated in accordance with U.S. GAAP, or as an indicator of operating performance. Our definition of EBITDA used here may differ from that used by other companies. Adjusted non-GAAP net income and adjusted EBITDA, which are defined as reported net income and EBITDA adjusted for non-cash items and items which are not considered by management to be indicative of the underlying results, are presented as the Company believes the information is important to provide investors, analysts and other interested parties additional information about the Company’s financial performance. Management uses EBITDA, adjusted non-GAAP net income and adjusted EBITDA to evaluate the performance of the business.

The financial information herein contains information generated from audited financial statements and unaudited information and has been prepared by management in good faith and based on data currently available to the Company.



Q4'14 Metals Segment Sales Price and Volume Trends

| | % Change from Q4'13 | % Change from Q3'14 |
|------------------------------------|---------------------|---------------------|
| Average Selling price per Ton Sold | (1.2)% | (1.2)% |
| Tons Sold | 3.2 % | (3.5)% |

Gross Material Margin and Adjusted Operating Expense Margin Comparisons

| | Q4'14 | Q4'13 | Q3'14 |
|--|-------|-------|-------|
| Gross Material Margin ¹ | 21.4% | 26.4% | 24.9% |
| Adjusted Operating Expense Margin ¹ | 29.7% | 29.7% | 26.9% |

¹ Non-GAAP information. Refer to reconciliation in the Appendix.



Selected Results

| SELECTED CONSOLIDATED RESULTS (Unaudited - \$ in thousands, except per share data) | Three Months Ended December 31, | | Year Ended December 31, | |
|---|------------------------------------|-------------|-------------------------|--------------|
| | 2014 | 2013 | 2014 | 2013 |
| Net Sales | \$ 231,466 | \$ 233,229 | \$ 979,837 | \$ 1,053,066 |
| Metals | \$ 197,832 | \$ 200,468 | \$ 841,672 | \$ 918,298 |
| Plastics | \$ 33,634 | \$ 32,761 | \$ 138,165 | \$ 134,768 |
| Gross Material Margins ¹ | 21.4% | 26.4% | 23.8% | 26.0% |
| Operating Expenses | \$ 69,372 | \$ 69,583 | \$ 332,268 | \$ 289,530 |
| Operating Expenses as a % of Net Sales | 30.0% | 29.8% | 33.9% | 27.5% |
| Operating Loss | \$ (19,836) | \$ (7,912) | \$ (98,874) | \$ (15,672) |
| Operating Loss as a % of Net Sales | -8.6% | -3.4% | -10.1% | -1.5% |
| Interest Expense, Net | \$ 10,560 | \$ 12,693 | \$ 40,548 | \$ 43,148 |
| EBITDA ² | \$ (14,300) | \$ 307 | \$ (69,462) | \$ 15,579 |
| EBITDA as a % of Net Sales | -6.2% | 0.1% | -7.1% | 1.5% |
| Net Loss, as Reported | \$ (39,080) | \$ (12,630) | \$ (134,701) | \$ (33,962) |
| Net Loss per diluted share, as Reported | \$ (1.67) | \$ (0.54) | \$ (5.77) | \$ (1.46) |
| Adjusted Non-GAAP Net Loss ³ | \$ (38,461) | \$ (13,475) | \$ (86,434) | \$ (28,074) |
| Adjusted Non-GAAP Net Loss per diluted share | \$ (1.64) | \$ (0.58) | \$ (3.70) | \$ (1.21) |

¹ Non-GAAP information. Refer to calculation in the Appendix.

² Earnings (loss) before interest, taxes and depreciation and amortization. Non-GAAP information. Refer to reconciliation in the Appendix.

³ Non-GAAP net loss adjustments relate to unrealized (gains) losses on commodity hedges and restructuring activity for all periods presented and impairment of goodwill for the year ended December 31, 2014. All amounts are net of tax. Refer to reconciliation in the Appendix.

Note: A \$56.2 million goodwill impairment charge is included in results for the year ended December 31, 2014.



Liquidity and Balance Sheet

SELECTED CONSOLIDATED RESULTS

(Unaudited - \$ in thousands)

| | Year Ended December 31, | |
|----------------------------------|-------------------------|-----------|
| | 2014 | 2013 |
| Cash (Used in) From Operations | \$ (75,077) | \$ 74,385 |
| Cash Paid for CapEx | \$ 12,351 | \$ 11,604 |
| Avg Days Sales in Inventory | 174 | 180 |
| Avg Receivables Days Outstanding | 52 | 51 |

NET DEBT TO TOTAL CAPITAL

(Unaudited - \$ in thousands)

| | As of | |
|--|----------------------|----------------------|
| | December 31, 2014 | December 31, 2013 |
| Total Debt (net of unamortized discounts) ¹ | \$ 310,114 | \$ 245,996 |
| Cash and Cash Equivalents | 8,454 | 30,829 |
| Total Debt less Cash and Cash Equivalents (“Net Debt”) | \$ 301,660 | \$ 215,167 |
| Stockholders’ Equity | 150,320 | 309,894 |
| Total Debt plus Stockholders’ Equity (“Total Capital”) | \$ 460,434 | \$ 555,890 |
| Net Debt to Total Capital | 65.5% | 38.7% |

¹ There were \$59.2 million of cash borrowings outstanding under the revolving credit facility as of December 31, 2014 and no cash borrowings as of December 31, 2013.



APPENDIX



SEC Regulation G Non-GAAP Reconciliation

| Reconciliation of Adjusted Non-GAAP Net Loss to Reported Net Loss (Unaudited - \$ in thousands, except per share data) | Three Months Ended December 31, | | Year Ended December 31, | |
|---|------------------------------------|-------------|-------------------------|-------------|
| | 2014 | 2013 | 2014 | 2013 |
| Net Loss, as reported | \$ (39,080) | \$ (12,630) | \$ (134,701) | \$ (33,962) |
| Restructuring Activity ¹ | 541 | 300 | (2,960) | 10,239 |
| Impairment of Goodwill | — | — | 56,160 | — |
| Unrealized (Gains) Losses on Commodity Hedges | 78 | (208) | (1,256) | 358 |
| Tax Effect of Adjustments | — | (937) | (3,677) | (4,709) |
| Adjusted Non-GAAP Net Loss | \$ (38,461) | \$ (13,475) | \$ (86,434) | \$ (28,074) |
| Adjusted Non-GAAP Basic Loss Per Share | \$ (1.64) | \$ (0.58) | \$ (3.70) | \$ (1.21) |
| Adjusted Non-GAAP Diluted Loss Per Share | \$ (1.64) | \$ (0.58) | \$ (3.70) | \$ (1.21) |

¹ Restructuring activity includes costs associated with the write-off of inventory included in cost of materials within the condensed consolidated statement of operations for the year ended December 31, 2013 and costs (gains) recorded to the restructuring activity line item within the condensed consolidated statements of operations for all periods presented.

| Reconciliation of EBITDA and of Adjusted EBITDA to Net Loss (Unaudited - \$ in thousands) | Three Months Ended December 31, | | Year Ended December 31, | |
|--|------------------------------------|-------------|-------------------------|-------------|
| | 2014 | 2013 | 2014 | 2013 |
| Net Loss | \$ (39,080) | \$ (12,630) | \$ (134,701) | \$ (33,962) |
| Depreciation and Amortization Expense | 6,655 | 6,584 | 26,044 | 26,188 |
| Interest Expense, Net | 10,560 | 10,087 | 40,548 | 40,542 |
| Loss on Extinguishment of Debt | — | 2,606 | — | 2,606 |
| Income Taxes | 7,565 | (6,340) | (1,353) | (19,795) |
| EBITDA | (14,300) | 307 | (69,462) | 15,579 |
| Non-GAAP Net Loss Adjustments ² | 619 | 92 | 51,944 | 10,597 |
| Adjusted EBITDA | \$ (13,681) | \$ 399 | \$ (17,518) | \$ 26,176 |

² Non-GAAP net loss adjustments relate to unrealized (gains) losses on commodity hedges and restructuring activity for all periods presented and impairment of goodwill for the year ended December 31, 2014. Refer to 'Reconciliation of Adjusted Non-GAAP Net Loss to Reported Net Loss' table above for additional information on these amounts.



SEC Regulation G Non-GAAP Reconciliation

| Gross Material Margin Calculation (Unaudited - \$ in thousands) | Three Months Ended | | | Year Ended | |
|---|--------------------|------------|---------------|--------------|--------------|
| | December 31, | | September 30, | December 31, | |
| | 2014 | 2013 | 2014 | 2014 | 2013 |
| Net Sales | \$ 231,466 | \$ 233,229 | \$ 245,469 | \$ 979,837 | \$ 1,053,066 |
| Cost of Materials - exclusive of depreciation and amortization | (181,930) | (171,558) | (184,417) | (746,443) | (779,208) |
| Gross Profit | \$ 49,536 | \$ 61,671 | \$ 61,052 | \$ 233,394 | \$ 273,858 |
| Gross Material Margin - calculated as Gross Profit divided by Net Sales | 21.4% | 26.4% | 24.9% | 23.8% | 26.0% |

| Reconciliation of Adjusted Operating Expenses to Operating Expenses (Unaudited - \$ in thousands) | Three Months Ended | | | Year Ended | |
|--|--------------------|-----------|---------------|--------------|------------|
| | December 31, | | September 30, | December 31, | |
| | 2014 | 2013 | 2014 | 2014 | 2013 |
| Operating Expenses | \$ 69,372 | \$ 69,583 | \$ 60,877 | \$ 332,268 | \$ 289,530 |
| Restructuring Activity in Operating Expenses | (541) | (300) | 5,147 | 2,960 | (9,003) |
| Impairment of Goodwill | — | — | — | (56,160) | — |
| Adjusted Operating Expenses | \$ 68,831 | \$ 69,283 | \$ 66,024 | \$ 279,068 | \$ 280,527 |
| Adjusted Operating Expense Margin - calculated as Adjusted Operating Expenses divided by Net Sales | 29.7% | 29.7% | 26.9% | 28.5% | 26.6% |



Thank You

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