

CASTLE A M & CO

FORM 8-K/A (Amended Current report filing)

Filed 03/22/12 for the Period Ending 03/21/12

Address	1420 KENSINGTON ROAD SUITE 220 OAK BROOK, IL 60523
Telephone	8474557111
CIK	0000018172
Symbol	CAS
SIC Code	5051 - Metals Service Centers and Offices
Industry	Misc. Fabricated Products
Sector	Basic Materials
Fiscal Year	12/31

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A

CURRENT REPORT
Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report: **March 21, 2012**
(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))
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EXPLANATORY NOTE

The purpose of this amendment to the Current Report on Form 8-K of A.M. Castle & Co. (the “Company”), as filed with the Securities and Exchange Commission on March 21, 2012, (the “Original Filing”), is to correct an error on Exhibit 99.1, page EX-7. All of the other Items in the Original Filing are unchanged and are hereby incorporated by reference into this Form 8-K/A.

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”) hereby furnishes slides that it will present to analysts and investors on or after March 21, 2012. The slides are attached as Exhibit 99.1 to this Current Report and are incorporated by reference herein. These slides will be available under the “Investors” section of the Company’s website at www.amcastle.com.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
99.1	Investor Presentation dated March 2012.

Cautionary Statement on Risks Associated with Forward Looking Statements

Information provided and statements contained in this report 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 report and the Company assumes no obligation to update the information included in this report. 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,” 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, 2011. 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 for our ongoing obligations to disclose material information 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 or to reflect the occurrence of unanticipated events.

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.

March 22, 2012

A. M. CASTLE & CO.

By: /s/ Robert J. Perna
Robert J. Perna
Vice President, General Counsel & Secretary

EXHIBIT INDEX

Exhibit No.	Description	Page Number
99.1	Investor Presentation dated March 2012.	EX-1



A. M. Castle & Co.

Advancing our Vision for **Growth**



NYSE: CAS ●●●●

●●●● March 2012



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 presentation and the Company assumes no obligation to update the information included in this presentation. 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," 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, 2011, which was filed with the U.S. Securities and Exchange Commission on March 14, 2012.

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 for our ongoing obligations to disclose material information 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 or to reflect the occurrence of unanticipated events.



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. 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 operating segments. 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 provide an additional measure of performance.

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 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.

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

In this presentation, we refer to information and statistics regarding the general manufacturing markets. We obtained this information and these statistics from sources other than us, such as Purchasing magazine and the Institute of Supply Management, which we have supplemented where necessary with information from publicly available sources and our own internal estimates. We have used these sources and estimates and believe them to be reliable.



Overview

- Specialty Products, Specialty Services, Customized Supply Chain Solutions
- One of the largest metal service center companies in the U.S., \$1.1 billion 2011 revenue
- Integrating Tube Supply, a leading value-added supplier to the Oil & Gas industry
- Strong exposure to high-growth end-markets including Oil & Gas, Mining and Heavy Equipment and Aerospace
- Supplying over 5,000 products to 25,000 customers
- Foremost global distributor of specialty grade, high performance metals
- 120 year history in the metal service center industry
- Expanding global footprint





Positioned for Growth

Acquisition of Tube Supply, Inc

- Purchased Tube Supply, Inc. (“TSI”)
 - A value-added distributor of specialty tubular and bar products for the Oil & Gas industry
 - Provider of broad range of oilfield quality metals with a specific focus on the equipment and tools used in downhole drilling, completion and wellhead applications
- Excellent fit with A. M. Castle’s Oil & Gas business
 - An easy transition into CAS’ business model for profitable growth
 - Adds a new set of products in a high growth market; horizontal drilling and completions require high grade alloys in larger quantities
 - Long-term strategic fit that will allow CAS to capitalize on the projected growing demand and opportunities in this sector.

Existing Houston Office and Warehouse



New Houston Warehouse



Edmonton Office and Warehouse



5.



Strategic Rationale and Benefits

- Complements A. M. Castle's existing Oil & Gas capabilities
 - Increased scale (nearly tripling exposure)
 - Expanded customer and supplier relationships
 - Footprint for global growth
- Broad product portfolio for well construction metals
- Comparable size to largest oil & gas competitors
- Diversifies end markets with expanded product range
- Focus on high value-added, high margin products and services

Summary Statistics (12 Months Ended 10/31/11) (\$ millions)	
Purchase Price	\$184.0
Net Sales	\$207.5
Gross Profit	\$ 64.3
Operating Expense	\$ 20.3
Operating Income	\$ 44.0
Inventory	\$ 74.9
Accounts Receivable	\$ 33.2

Accretive to EPS and Margins

This slide contains non-GAAP information. See "Reg G" in Appendix for detailed reconciliation

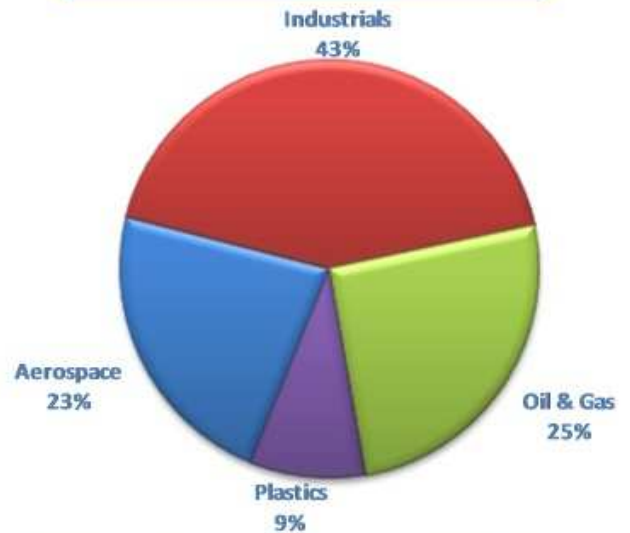
6.



Key End Markets

- Tube Supply further diversified our end-markets
- Increased presence in Oil & Gas from 12% to 25%
- Focused on large growing global end-markets

Markets Served (2011 Pro Forma Net Sales)

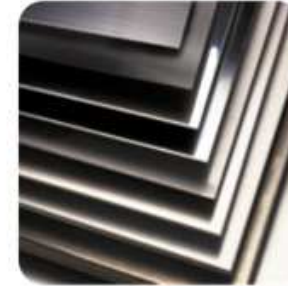
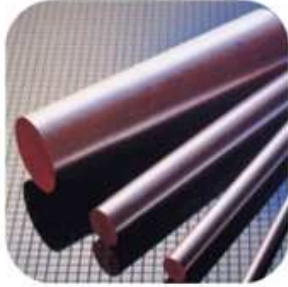


Note: Industrials include (Machine Tool & General Equip, 13%; Heavy Equipment, 7%; Power Generation, 3%; Military & Defense, 6% and Other 13%)

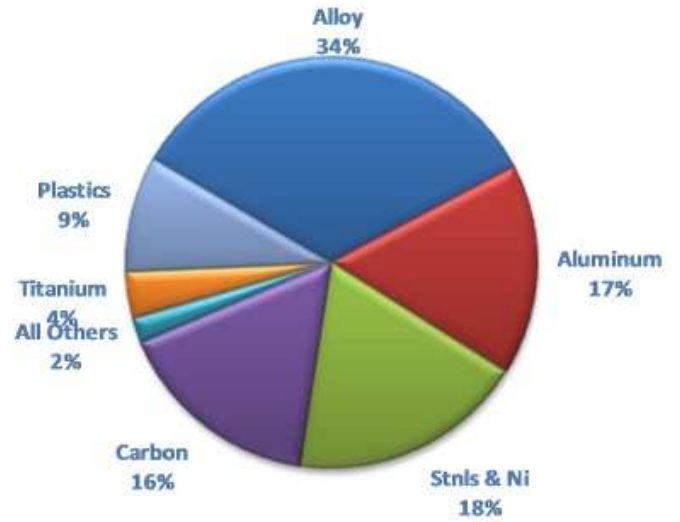
Global Demand Recovery Driving Growth in Key End Markets



Specialty Grade, High Value Metals



Products Provided (2011 Pro Forma Net Sales)

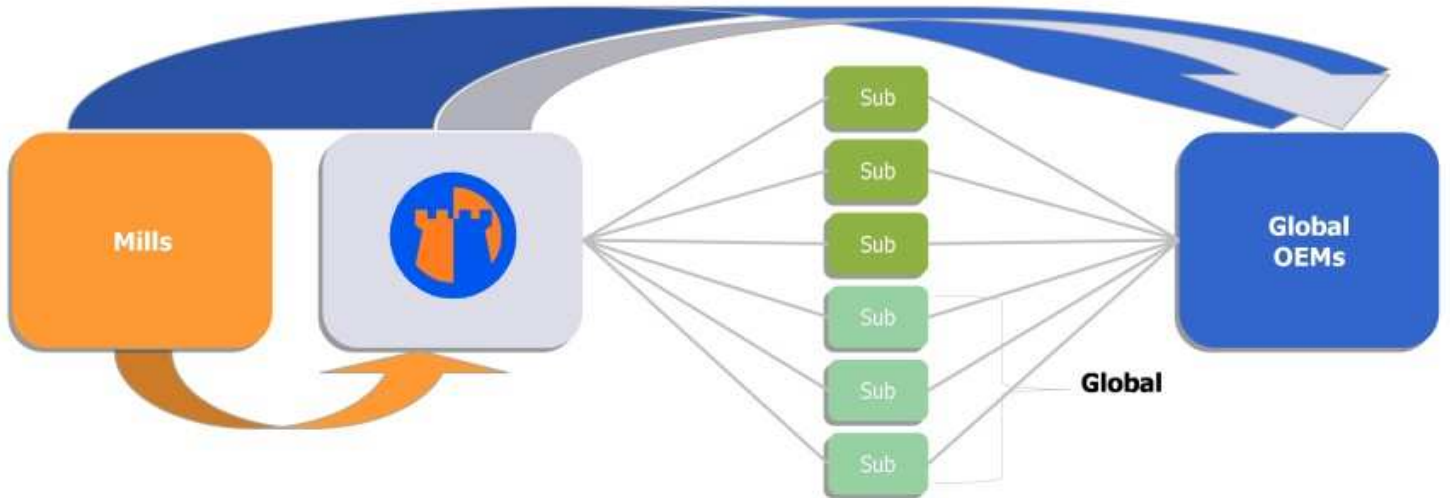


Diversified Product Offering with Focus on Specialty Materials



Service Solutions

Serving Vital Link in Global Metal Supply Chain



Together, Castle and TSI serve as a vital link in the metal supply chain



Recent Growth Achievements

Growth

- Acquisition of TSI expanded our presence in the Oil & Gas industry and expanded our global reach

Diversified End-Markets

- Focused on additional global, growing markets: Aerospace, Mining and Heavy Equipment

Expanded Global Reach

- Expanding our presence in Mexico, Shanghai, Singapore and the UK with facility, equipment and inventory investments, to support growth opportunities

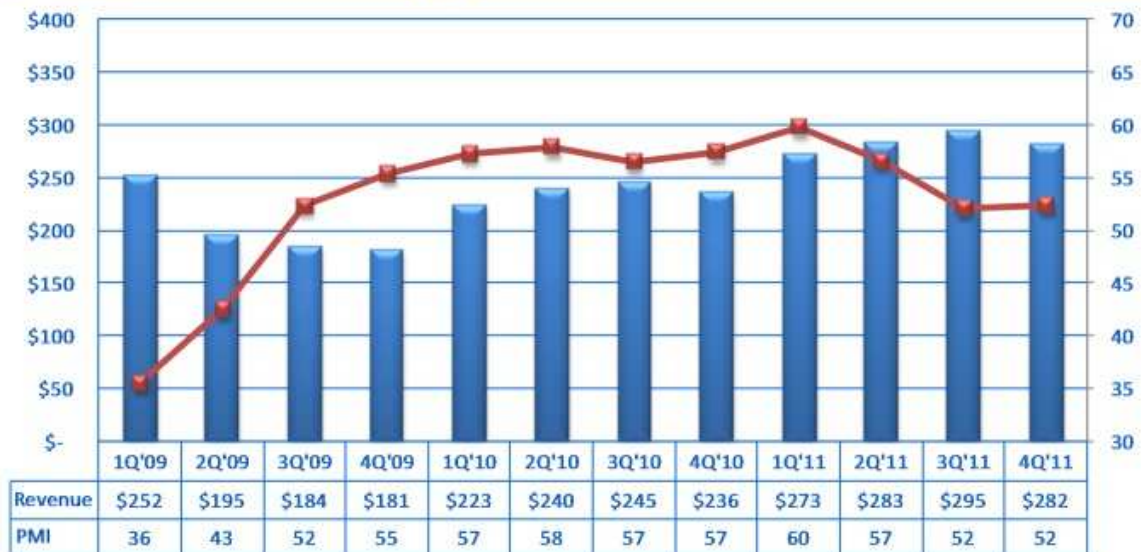
Improved Customer Experience

- Launched Customer Experience improvement initiative in 2010 to develop and enhance our supply chain solutions and value-added processing capabilities.

Organic Growth and Acquisitions are Expanding our Market Share



Well-Positioned to Capture Growth Opportunities



- The late-cycle nature of our business classically has lagged the general economic cycle by twelve months
 - > Trough ran from the second quarter of 2009 through the first quarter of 2010
- Improvement across most of our end-markets in 2011, including heavy industrial and mining equipment, power generation, commercial aerospace and defense aerospace

Source: Management uses the Purchaser's Managers Index ("PMI") provided by the Institute of Supply Management for the January 2009-December 2011 PMI numbers and Castle's quarterly revenues for each of the respective interim periods.



Go-To-Market Strategy

Pursuing Profitable and High-Growth End-Markets



Commercial Aerospace

- Ongoing multi-year backlogs at major aircraft manufacturers provide long-term revenue streams
- Airlines forecasting pickup in demand and higher load levels, and additional aircraft production rate increases announced throughout 2010



Defense Aerospace

- Specialty products and supply chain solutions are key deliverables to the Defense industry
- Joint Strike Fighter F-35 contract extended through 2016



Oil & Gas

- Strategically positioned to succeed with growing global presence, including Shanghai, Singapore and U.S. Gulf region
- Provide range of products to support drilling and completion activities, including unconventional drilling and fracking



Heavy Equipment & Infrastructure

- Funding for capital spending expected to increase as economic recovery continues
- Long-term relationships with the leading global OEMs in this marketplace

Unmatched Experience and Expertise in Key End-Markets



Go-To-Market Strategy

Providing Solutions to Optimize Supply Chain Performance

- Providing unrivaled industry expertise and forecasting capabilities to create true strategic partnerships with customers
- Customer collaborations result in verifiable improvements that impact total cost, delivery, quality, and exposure to metal supply
- Focus on material management and improved forecasting supported by our investment in technological enhancements



Go-To-Market Strategy

Case Study: F-35 Joint Strike Fighter (JSF) Program

- Signed six-year contract extension with Lockheed Martin for the F-35 Joint Strike Fighter (JSF) Program through 2016
- Supplier to the platform since inception
- Supplying aluminum plate and cut-to-size aluminum plate products
- Global account with various value-added processing and collaborative supply chain management services
- Value estimated to be at least \$250-\$300 million range over a six-year term





Blue Chip Customer Base

Serving a Broad Range of Diverse Customers



AIRBUS

SPX
WHERE LOGS MEET TECHNOLOGY

GENERAL DYNAMICS
Electric Boat

Johnson
Controls 

HALLIBURTON

 **BOEING**[®]

CAT

 **JOHN DEERE**



GE Energy

 **JOY MINING MACHINERY**
A Joy Global Inc. Company


Cessna

BALDOR


LOCKHEED MARTIN

Gulfstream[®]
A GENERAL DYNAMICS COMPANY

*Serving Global OEMS and Thousands of Medium and Smaller-Sized Firms
Over 115 Customers with Sales in Excess of \$1.0 million in 2010*

A large, horizontal orange arrow pointing to the right, containing the text "Financial Overview".

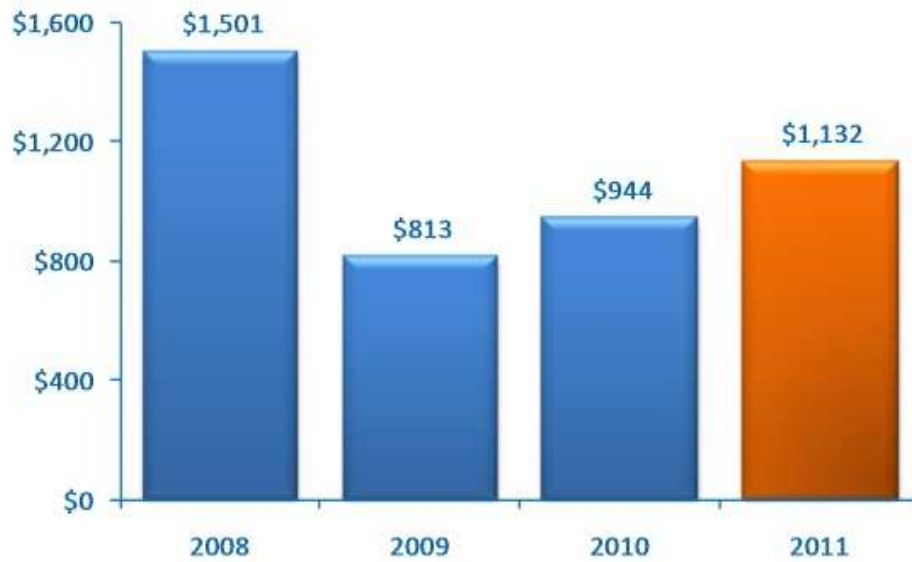
Financial Overview



Positioned For Profitable Growth

Revenue

\$ in millions



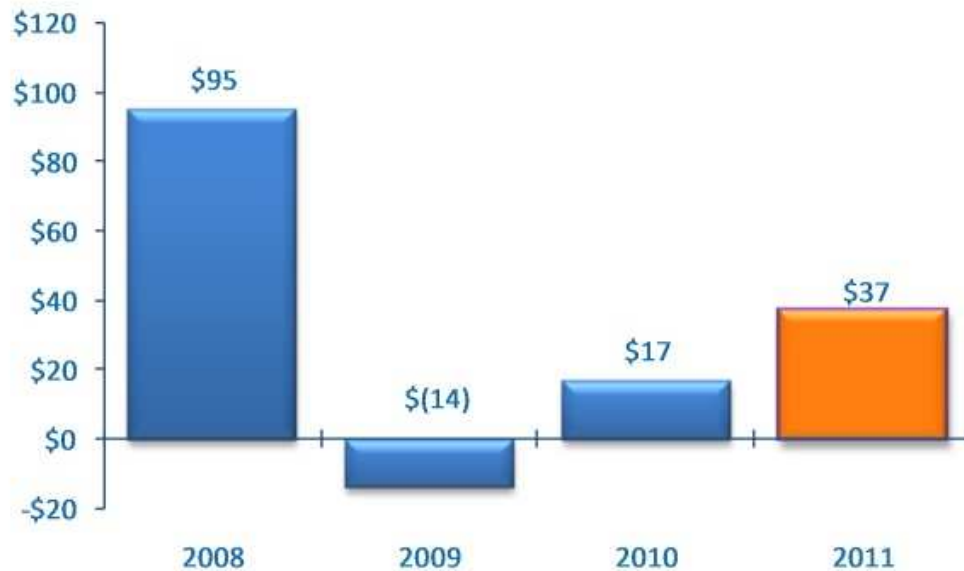
- FY 2011 revenue up 20% over last year
- Increased activity seen in virtually all targeted end-markets



Positioned For Profitable Growth

ADJUSTED EBITDA*

\$ in millions



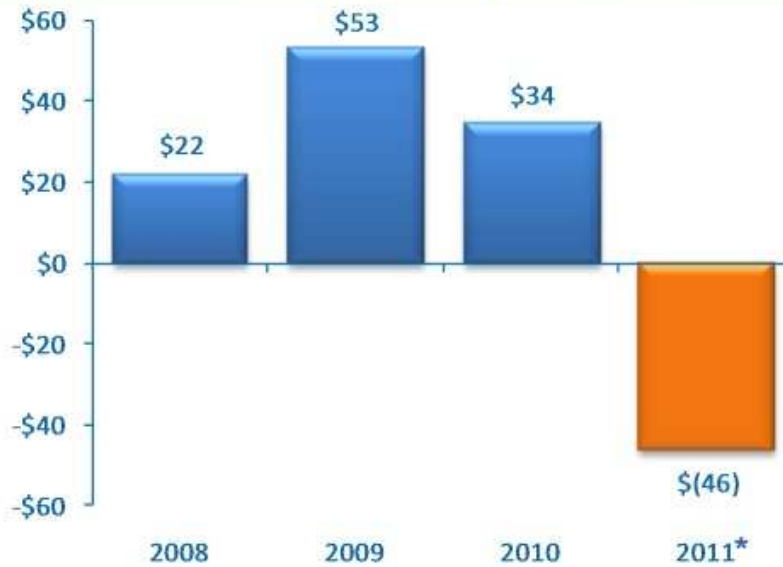
* This slide contains Non-GAAP information, specifically 2008 and 2009 exclude non-cash charges of \$58.9 million and \$1.4 million, respectively, for goodwill impairment. See "Reg G" in Appendix for a detailed reconciliation and definition of EBITDA.



Positioned For Profitable Growth

Annual Operating Cash Flows

\$ in millions



* Cash used in operating activities is a result of increased investment in working capital to support 20% sales growth in 2011 and future anticipated sales growth. This chart demonstrates counter-cyclical cash flow nature of the business.



Balance Sheet Comparison

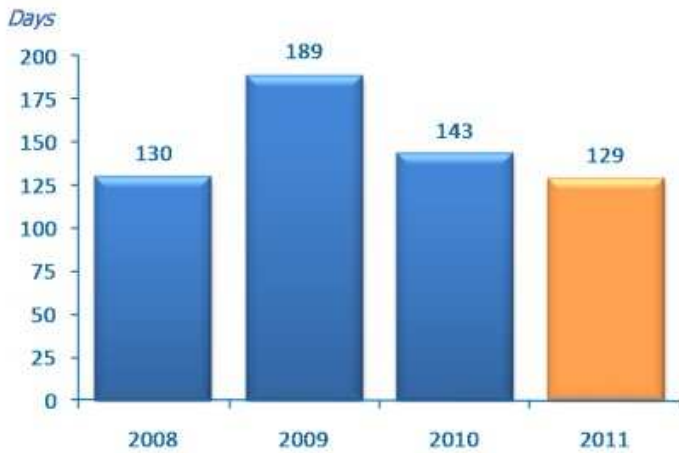
\$ in millions

	<u>12/31/11</u>	<u>12/31/10</u>
Accounts Receivable	\$ 181	\$ 128
Inventory	272	131
Other Current Assets	<u>49</u>	<u>52</u>
Total Current Assets	\$ 502	\$ 311
Accounts Payable	(117)	(72)
Other Current Liabilities	<u>(36)</u>	<u>(44)</u>
Working Capital	<u>\$ 349</u>	<u>\$ 195</u>
Total Capital	\$ 627	\$ 382
Debt	<u>(315)</u>	<u>(69)</u>
Equity	<u>\$ 312</u>	<u>\$ 313</u>

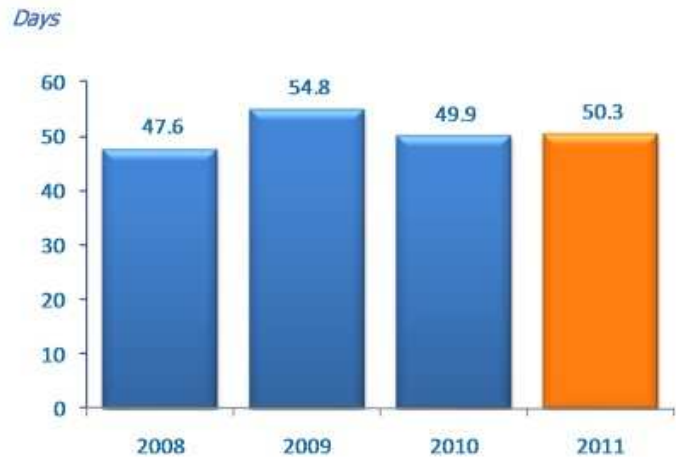


Solid Working Capital Measurements

Inventory Turns – DSI



Receivables – DSO

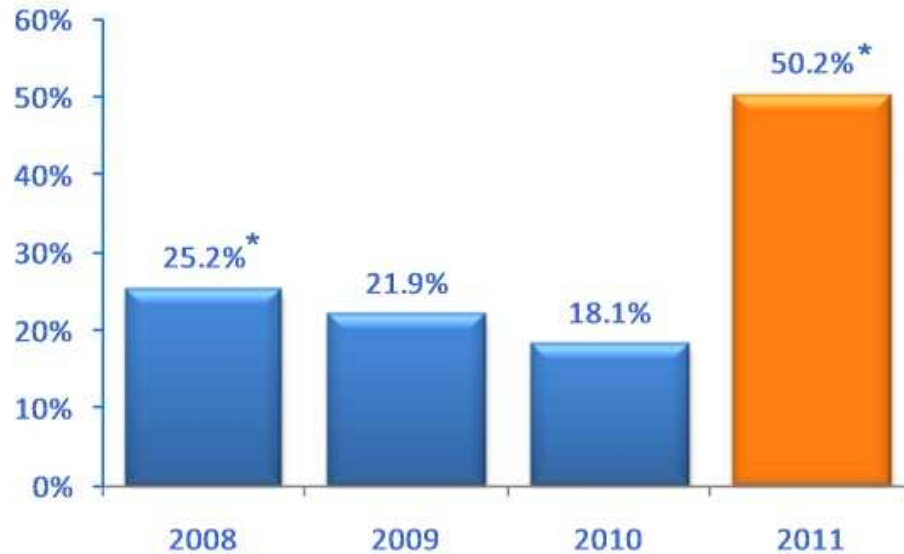


- Inventory turnover rates returned to historical levels in 2011
- Continued focus on conservative approach to receivables management



Strong Financial Position

Debt to Total Capital Ratios*



- Total debt increased from \$69.1M at year-end 2010 to \$314.9M at year-end 2011
- Increase in debt is related to the acquisition of Tube Supply, Inc.

* The 2008 and 2011 increase in debt was primarily due to the acquisitions of Metals UK (January 2008) and Tube Supply, Inc. (December 2011)



Summary of Debt Issuances

	ABL	High-Yield	Convertible
Total Facility/ Issuance	\$100M	\$225M	\$57.5M
Lead	Wells Fargo Bank, N.A.	Jefferies	Jefferies
Maturity	4-years	5-years	6-years
Accordion	\$50M		
L/C Sub-limit	\$20M		
Swingline	\$10M		
Pricing	Libor or base rate + spread* * Based on excess availability	12.75%	- 7% - \$10.28/share conversion price
Unused Fees	25-37.5 bps		
Borrowing Base	A/R and Inventory		
Financial Covenants	<ul style="list-style-type: none"> - Springing Fixed Charge (1.1X) when Excess Availability <10% or \$10M - Cash dominion - Other non-financial covenants that need to be maintained - Field exams 	None	None

23.



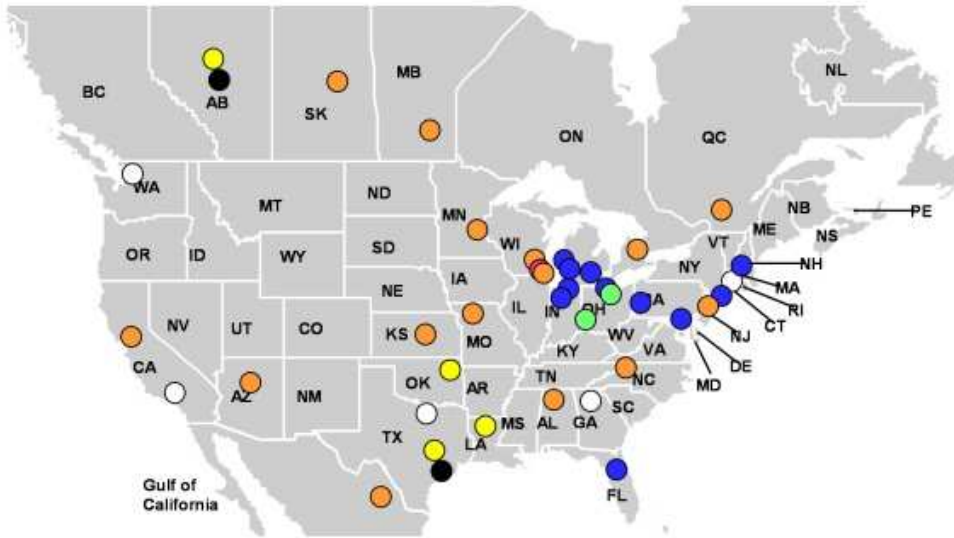
Investment Highlights







Broad Geographic Footprint



- Corporate Headquarters
- Castle Metals
- Castle Metals Plate
- Castle Metals Aerospace
- Castle Metals Oil & Gas
- International
- Subsidiary Locations - Total Plastics
- TSI





Management Team



Name	Position	Years at Company / Industry
Michael H. Goldberg	President & CEO	6 / 31
Scott F. Stephens	CFO	3 / 7
G. Nicholas Jones	Commercial Unit President Oil & Gas	1 / 11
Blain A. Tiffany	Commercial Unit President Industrials	11 / 32
James Callan	Commercial Unit President Aerospace	1 / 21
Thomas L. Garrett*	Commercial Unit President Total Plastics	23 / 23

Name	Position	Years at Company / Industry
Paul Sorensen	Principal / Co-Owner – Tube Supply	25 / 31
Jerry Willeford	Principal / Co-Owner – Tube Supply	25 / 32
Chris Friend	CFO – Tube Supply	19 / 19



Suppliers

Stable supply base values A. M. Castle as a key customer and provides access to specialty metals

Product Category	Supplier
Aluminum	Kaiser Aluminum and Alcoa
Alloy	Timken and Republic
Nickel & Stainless	Allegheny and Special Metals
Carbon	ArcelorMittal, Ipsco & Gerdau
Titanium	RTI
Plastics	Cyro Industries/Degussa, Sheffield Plastics/Division of Bayer, and Quadrant Engineered Plastics



Blue Chip Platform Support

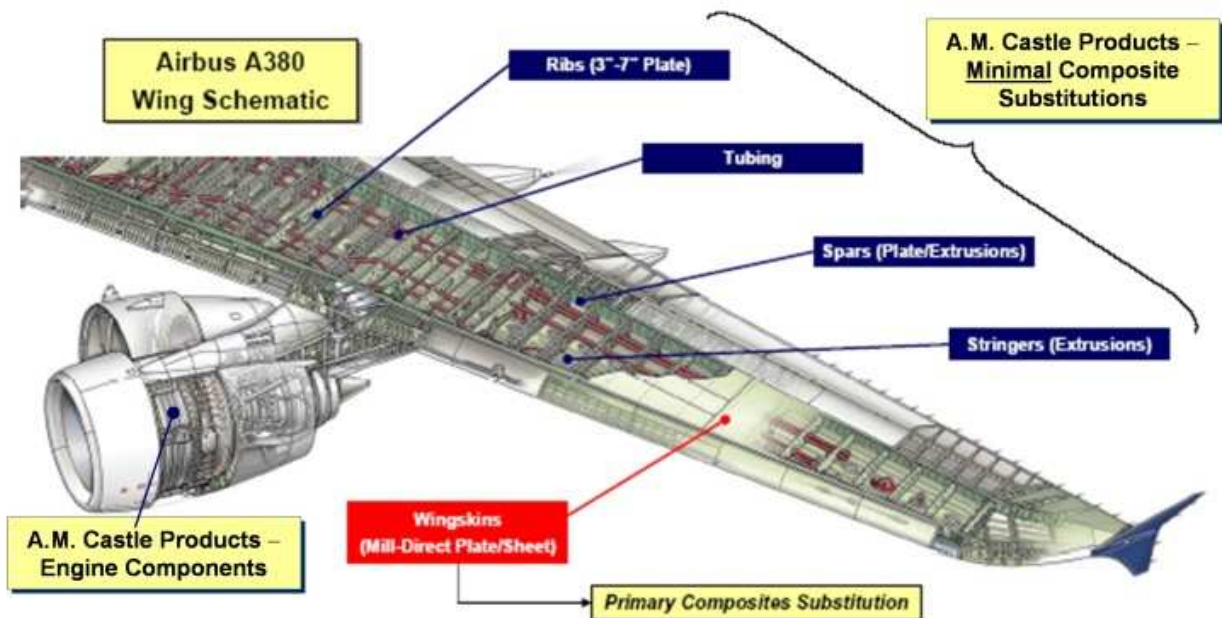


Metal Type	End Market	Key Platforms Supported
<ul style="list-style-type: none"> • H-T Aluminum Plate • Titanium • Alloy • Stainless • Nickel 	<ul style="list-style-type: none"> • Large Commercial Aircraft • Regional Aircraft • Military Aerospace • Business/General Aviation • Freighter Conversion • MRO 	<ul style="list-style-type: none"> • Airbus A318, A319, A320, A321, A330, A380 • Boeing 737, 747, 777, 787 • Bombardier, Embraer • C-17 C-27, c130, F15, F16, F18, F22 • Joint Strike Fighter (F-35) • Cessna, Gulfstream, Piper, Raytheon, Mooney • Aeronavali, Israel Aircraft Industries (747 and 767), Singapore Technologies, Alcoa-SIE • British Airways, American Airlines, United Airlines • Commercial Engine Components • Landing Gear • Engines



Aerospace Structural Material Usage

- ① Heat-treated aluminum is the dominant structural material in aircraft fabrication
- ② Composite usage will increase in certain applications but will not displace Castle Metals Aerospace business





SEC Regulation G Non-GAAP Reconciliation

The financial measures presented below are not in accordance with, or an alternative for, financial measures presented in accordance with U.S. generally accepted accounting principles (GAAP). The non-GAAP financial information presented herein should be considered supplemental to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP.

<i>(\$ in millions)</i>	2011	2010	2009	2008
Reconciliation of EBITDA to Net Income:				
Net Loss	\$ (1.8)	\$ (5.6)	\$ (26.9)	\$ (17.1)
Depreciation and Amortization Exp	20.5	20.6	21.3	23.3
Interest Expense, Net	13.7	5.0	6.5	9.4
Loss on extinguishment of debt	6.1	–	–	–
Income Taxes	<u>(1.1)</u>	<u>(3.1)</u>	<u>(16.3)</u>	<u>20.7</u>
EBITDA	<u>\$ 37.4</u>	<u>\$ 16.9</u>	<u>\$ (15.4)</u>	<u>\$ 36.3</u>
Non-Cash Charges	–	–	1.4	58.9
Adjusted EBITDA	<u>\$ 37.4</u>	<u>\$ 16.9</u>	<u>\$ (14.0)</u>	<u>\$ 95.2</u>