

Rexnord Corp
Form 424B7
November 13, 2014
Table of Contents

**Filed Pursuant to Rule 424(b)(7)
Registration No. 333-193610**

The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion. Dated November 12, 2014.

Preliminary Prospectus Supplement

To prospectus dated January 28, 2014

14,729,045 Shares

Rexnord Corporation

Common Stock

The selling stockholders identified in this prospectus supplement are offering 14,729,045 shares of Rexnord Corporation common stock. We will not receive any of the proceeds from the sale of the shares being sold by the selling stockholders. We have agreed to pay all expenses of the selling stockholders relating to this offering, other than underwriting discounts and commissions. The selling stockholders will pay underwriting discounts and commissions in respect of the sale of these shares.

Our common stock is listed on the New York Stock Exchange under the symbol RXN. On November 11, 2014, the last reported sale price of the common stock was \$27.88 per share.

The underwriter has agreed to purchase shares of common stock from the selling stockholders at a price of \$ _____ per share, which will result in \$ _____ million of aggregate proceeds to the selling stockholders. The underwriter may offer the common stock from time to time for sale in one or more transactions on the New York Stock Exchange, in the over-the-counter market, through negotiated transactions or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices. See Underwriting.

Investing in our common stock involves risks. See Risk Factors on page S-6 to read about certain risks you should consider before buying shares of our common stock.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus supplement. Any representation to the contrary is a criminal offense.

The underwriter expects to deliver the shares against payment in New York, New York on or about , 2014.

Credit Suisse

Prospectus Supplement dated , 2014.

Table of Contents

Prospectus Supplement

	Page
<u>About this Prospectus Supplement</u>	ii
<u>Where You Can Find Additional Information</u>	ii
<u>Cautionary Statements Concerning Forward-Looking Statements</u>	iii
<u>Prospectus Supplement Summary</u>	S-1
<u>The Offering</u>	S-2
<u>Summary Financial Data</u>	S-3
<u>Risk Factors</u>	S-6
<u>Use of Proceeds</u>	S-8
<u>Market Price for Common Stock</u>	S-9
<u>Material U.S. Federal Income Tax Considerations</u>	S-10
<u>Selling Stockholders</u>	S-14
<u>Underwriting</u>	S-15
<u>Legal Matters</u>	S-20
<u>Experts</u>	S-20

Prospectus

<u>About this Prospectus</u>	1
<u>The Company</u>	1
<u>Risk Factors</u>	2
<u>Cautionary Statements Concerning Forward-Looking Statements</u>	3
<u>Use of Proceeds</u>	5
<u>Description of Capital Stock</u>	6
<u>Description of Warrants</u>	10
<u>Description of Rights</u>	11
<u>Description of Units</u>	11
<u>Plan of Distribution</u>	12
<u>Legal Matters</u>	14
<u>Experts</u>	14
<u>Where You Can Find Additional Information</u>	14
<u>Incorporation by Reference</u>	15

Table of Contents

ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering of our common stock by the selling stockholders and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference into the prospectus. The second part, the accompanying prospectus, gives more general information, some of which does not apply to this offering. If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information contained in or incorporated by reference into this prospectus supplement.

Neither we nor any of the selling stockholders have authorized any other person to provide any information other than that contained or incorporated by reference into this prospectus supplement, the accompanying prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. You should not assume that the information contained in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date of this prospectus supplement or the accompanying prospectus, or that information contained in any document incorporated or deemed to be incorporated by reference is accurate as of any date other than the date of that document. Our business, financial condition, results of operations and prospects may have changed since that date.

The distribution of this prospectus supplement and the accompanying prospectus in some jurisdictions may be restricted by law. Persons who receive this prospectus supplement and the accompanying prospectus should inform themselves about and observe any such restrictions. This prospectus supplement and the accompanying prospectus do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

We and the selling stockholders are not making an offer of these securities in any jurisdiction where the offer or sale is not permitted.

In this prospectus supplement, Rexnord, we, us, our and the Company mean Rexnord Corporation and its predecessors and consolidated subsidiaries, including RBS Global, Inc. (RBS Global) and Rexnord LLC, and Rexnord Corporation means Rexnord Corporation and its predecessors but not its subsidiaries.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We are required to file annual, quarterly and current reports and other information with the Securities and Exchange Commission (the SEC) (File No. 1-35475). You may read and copy any materials we file with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Room 1580, Washington, D.C., 20549. Please call 1-800-SEC-0330 for further information on the operation of the Public Reference Room. Our filings will also be available to the public from commercial document retrieval services and at the website maintained by the SEC at <http://www.sec.gov>. You may request copies of the filing, at no cost, by telephone at (414) 643-3000 or by mail at Rexnord Corporation, 4701 West Greenfield Avenue, Milwaukee, Wisconsin 53214. Certain information about our company may also be obtained from our website at www.rexnord.com. Information contained on our website or any other website is not incorporated by reference into and does not constitute part of this prospectus supplement or the accompanying prospectus.

Table of Contents

We have filed with the SEC a registration statement on Form S-3 under the Securities Act of 1933, as amended, with respect to this offering. This prospectus supplement and the accompanying prospectus do not contain all of the information set forth in the registration statement or the exhibits and schedules thereto as permitted by the rules and regulations of the SEC. For further information about us and our common stock, you should refer to the registration statement. This prospectus supplement and the accompanying prospectus summarize provisions that we consider material of certain documents to which we refer you. Because the summaries may not contain all of the information that you may find important, you should review the full text of those documents.

CAUTIONARY STATEMENTS CONCERNING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents incorporated herein or therein by reference contain forward-looking statements within the meaning of the federal securities laws, which involve risks and uncertainties. When used in this prospectus supplement, the accompanying prospectus and the documents incorporated herein by reference, the words estimates, expects, anticipates, projects, forecasts, plans, intends, believes, foresees, seeks, likely, may, might, will, should, goal, ta these words or similar expressions (or the negative versions of any such words) are intended to identify forward-looking statements. All statements we make relating to our estimated and projected earnings, margins, costs, expenditures, cash flows, growth rates and financial results are forward-looking statements. These forward-looking statements are subject to risks and uncertainties, including the risk factors and cautionary statements included in the accompanying prospectus and elsewhere in this prospectus supplement, or otherwise previously disclosed in the documents incorporated herein by reference, that may change at any time, and, therefore, our actual results may differ materially from those that we expected.

All forward-looking statements in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference attributable to us apply only as of the date of such documents and are expressly qualified in their entirety by the cautionary statements included in such documents. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

Table of Contents

PROSPECTUS SUPPLEMENT SUMMARY

This summary may not contain all the information that may be important to you. You should read the entire prospectus supplement and the accompanying prospectus and the documents incorporated by reference herein and therein, including the financial statements and related notes, before making an investment decision. Our fiscal year is the year ending March 31 of the corresponding calendar year. For example, our fiscal year 2014, or fiscal 2014, means the period from April 1, 2013 to March 31, 2014.

The Company

Rexnord is a growth-oriented, multi-platform industrial company with what it believes are leading market shares and highly trusted brands that serve a diverse array of global end markets. Our heritage of innovation and specification has allowed us to provide highly engineered, mission-critical solutions to customers for decades and affords us the privilege of having long-term, valued relationships with market leaders. Our Process & Motion Control platform designs, manufactures, markets and services specified, highly engineered mechanical components used within complex systems where our customers' reliability requirements and cost of failure or downtime is extremely high. The Process & Motion Control product portfolio includes gears, couplings, industrial bearings, aerospace bearings and seals, FlatTop chain, engineered chain and conveying equipment. Our Water Management platform designs, procures, manufactures and markets products that provide and enhance water quality, safety, flow control and conservation. The Water Management product portfolio includes professional grade specification drainage products, flush valves and faucet products, backflow prevention pressure release valves, and PEX piping used primarily in non-residential construction end markets and engineered valves and gates for the water and wastewater treatment market.

On July 21, 2006, affiliates of Apollo Global Management, LLC (together with its subsidiaries, Apollo), George M. Sherman and certain members of management acquired RBS Global through the merger of an Apollo affiliate with and into RBS Global (the Merger), and RBS Global became an indirect, wholly-owned subsidiary of Rexnord Corporation. Rexnord Corporation was incorporated in Delaware in 2006.

Selling Stockholders

The selling stockholders are investment funds affiliated with, or co-investment vehicles managed by, Apollo Management VI, L.P., an affiliate of Apollo Management, L.P., which we collectively refer to herein as the Apollo Funds (unless the context otherwise indicates) and which, prior to this offering, beneficially own 14,729,045 shares or approximately 14.5% of our common stock. Apollo Management, L.P. is an affiliate of Apollo Global Management, LLC, a leading global alternative asset investment manager with offices in New York, Los Angeles, London, Houston, Toronto, Frankfurt, Luxembourg, Singapore, Hong Kong and Mumbai. As of September 30, 2014, Apollo had assets under management of approximately \$163.9 billion in its private equity, capital markets and real estate businesses.

Corporate Information

Our principal executive offices are located at 4701 West Greenfield Avenue, Milwaukee, WI 53214, and our telephone number is (414) 643-3000. The address of our website is www.rexnord.com. This internet address is provided for informational purposes only and is not intended to be a hyperlink. Accordingly, no information in or connected to this internet address is included or incorporated by reference herein.

Table of Contents

THE OFFERING

Issuer	Rexnord Corporation
Common stock offered by the selling stockholders	14,729,045 shares
Common stock to be outstanding after the offering	101,692,832 shares
Use of proceeds	We will not receive any of the proceeds from the sale of shares by the selling stockholders. See Use of Proceeds.
Dividend policy	We currently intend to retain all future earnings, if any, for use in the operation of our business and to fund future growth. The decision whether to pay dividends will be made by our board of directors in light of conditions then existing, including factors such as our results of operations, financial condition and requirements, business conditions and covenants under any applicable contractual arrangements, including our indebtedness. See Description of Capital Stock Dividend Policy in the accompanying prospectus.
NYSE symbol	RXN
Risk factors	You should carefully consider all of the information set forth in this prospectus supplement and, in particular, the information under the heading Risk Factors beginning on page S-6, prior to purchasing the shares of common stock offered hereby.

Unless we specifically state otherwise, all information in this prospectus supplement assumes:

101,692,832 shares outstanding as of October 31, 2014; and

the exclusion of approximately 12.9 million shares issuable upon exercise or vesting of equity awards outstanding on September 30, 2014 or authorized for future grant.

Table of Contents

SUMMARY FINANCIAL DATA

The following table sets forth our summary historical financial information. The historical statements of operations data for the six months ended September 30, 2014 and September 28, 2013 and the historical balance sheet data as of September 30, 2014 are derived from, and should be read in conjunction with, our unaudited condensed consolidated financial statements and related notes incorporated by reference into the accompanying prospectus. The historical statements of operations data for the fiscal years ended March 31, 2014, 2013 and 2012 and the historical balance sheet data as of March 31, 2014, 2013 and 2012 are derived from, and should be read in conjunction with, our audited consolidated financial statements and related notes incorporated by reference into the accompanying prospectus.

Results for the six months ended September 30, 2014 are not necessarily indicative of the results that may be expected for the entire fiscal year or for any future period.

The information contained in this table should also be read in conjunction with Risk Factors and our financial statements and the related notes incorporated by reference into the accompanying prospectus.

Table of Contents

	Six Months Ended		Year Ended March 31,		
	September 30, 2014(1)	September 28, 2013	2014(2)	2013(3)	2012(4)
<i>(in millions, except share and per share data)</i>					
Statements of Operations:					
Net Sales	\$ 1,047.7	\$ 1,023.2	\$ 2,082.0	\$ 2,005.1	\$ 1,944.2
Cost of Sales	672.1	649.5	1,318.4	1,273.7	1,254.1
Gross Profit	375.6	373.7	763.6	731.4	690.1
Selling, General and Administrative Expenses	208.4	212.0	424.5	406.2	387.1
Zurn PEX Loss Contingency(5)				10.1	
Restructuring and Other Similar Costs	4.8	3.0	8.7	8.6	6.8
Amortization of Intangible Assets	27.2	25.1	50.8	51.1	50.9
Income from Operations	135.2	133.6	279.6	255.4	245.3
Non-Operating Expense					
Interest Expense, net	(44.5)	(64.2)	(109.1)	(153.3)	(176.2)
Loss on the Extinguishment of Debt(6)		(133.2)	(133.2)	(24.0)	(10.7)
Loss on Divestiture(7)					(6.4)
Other Expense, net(8)	(3.6)	(6.1)	(15.1)	(2.9)	(7.1)
Income (Loss) from Continuing Operations					
Before Income Taxes	87.1	(69.9)	22.2	75.2	44.9
Provision (Benefit) for Income Taxes	38.0	(31.0)	(7.4)	20.3	9.4
Net Income (Loss) from Continuing Operations	49.1	(38.9)	29.6	54.9	35.3
Loss from Discontinued Operations, net of Tax				(4.8)	(5.6)
Net Income (Loss)	\$ 49.1	\$ (38.9)	29.6	50.1	29.9
Non-controlling Interest Loss	(0.2)	(0.4)	(0.6)		
Net Income (Loss) Attributable to Rexnord	\$ 49.3	\$ (38.5)	\$ 30.2	\$ 50.1	\$ 29.9
Net Income (Loss) per Share from Continuing Operations(9):					
Basic	\$ 0.48	\$ (0.40)	\$ 0.30	\$ 0.57	\$ 0.53
Diluted	\$ 0.47	\$ (0.40)	\$ 0.29	\$ 0.55	\$ 0.50
Net Loss per Share from Discontinued Operations:					
Basic	\$	\$	\$	\$ (0.05)	\$ (0.08)
Diluted	\$	\$	\$	\$ (0.05)	\$ (0.08)
Net Income (Loss) per Share attributable to Rexnord:					
Basic	\$ 0.49	\$ (0.40)	\$ 0.31	\$ 0.52	\$ 0.45
Diluted	\$ 0.47	\$ (0.40)	\$ 0.30	\$ 0.50	\$ 0.42

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Weighted-Average Number of Shares Outstanding (in thousands)					
Basic	101,344	97,347	98,105	95,972	66,751
Effect of Dilutive Equity Awards	3,279		3,213	3,894	5,314
Diluted	104,623	97,347	101,318	99,866	72,065
Other Data:					
Net Cash Provided by (Used for):					
Operating Activities	\$ 78.5	\$ 9.1	\$ 190.8	\$ 144.5	\$ 139.3
Investing Activities	(48.9)	(53.6)	(163.8)	(81.8)	(324.2)
Financing Activities	(3.4)	(273.0)	(210.3)	165.7	93.2
Depreciation and Amortization of Intangible Assets					
Capital Expenditures	56.9	53.9	108.5	112.4	114.0
	21.2	19.2	52.2	60.1	58.5
Balance Sheet Data:					
Cash and Cash Equivalents	\$ 361.3	\$ 206.4	\$ 339.0	\$ 524.1	\$ 298.0
Working Capital(10)	735.0	558.1	671.3	638.9	549.7
Total Assets	3,367.0	3,186.1	3,383.5	3,473.8	3,290.9
Total Debt(11)	1,964.1	1,985.4	1,972.0	2,131.6	2,423.7
Shareholders Equity (Deficit)	592.7	404.6	562.1	428.5	(80.8)

S-4

Table of Contents

- (1) Consolidated financial data as of and for the six months ended September 30, 2014 reflects the acquisition of Green Turtle Technologies Ltd., Green Turtle Americas Ltd. and Filamat Composites Inc. subsequent to April 15, 2014. As a result, the comparability of the operating results for the period presented is affected by the revaluation of the assets acquired and liabilities assumed on the date of acquisition.
- (2) Consolidated financial data as of and for the fiscal year ended March 31, 2014 reflects the acquisitions of Klamflex Pipe Couplings Ltd. subsequent to April 26, 2013, Micro Precision Gear Technology Limited subsequent to August 21, 2013, L.W. Gemmell subsequent to August 30, 2013 and Precision Gear Holdings, LLC subsequent to December 16, 2013. As a result, the comparability of the operating results for the period presented is affected by the revaluation of the assets acquired and liabilities assumed on the respective dates of the acquisitions.
- (3) Consolidated financial data as of and for the year ended March 31, 2013 reflects the acquisition of Cline Acquisition Corporation subsequent to December 13, 2012 and excludes the assets associated with a divestiture of an engineered chain business located in Shanghai, China subsequent to December 18, 2012. As a result, the comparability of the operating results for the period presented is affected by the revaluation of the assets acquired and the liabilities assumed on the date of the acquisitions and the assets divested on the date of that divestiture.
- (4) Consolidated financial data as of and for the year ended March 31, 2012 reflects the acquisition of Autogard Holdings Limited and affiliates subsequent to April 2, 2011 and VAG Holdings GmbH and affiliates subsequent to October 10, 2011 and excludes the assets associated with a divestiture of a German subsidiary on July 19, 2011. As a result, the comparability of the operating results for the period presented is affected by the revaluation of the assets acquired and the liabilities assumed on the date of the acquisitions and the assets divested on the date of that divestiture.
- (5) In the year ended March 31, 2013, the Company recognized a \$10.1 million incremental charge related to a legal settlement reached in connection with litigation associated with alleged failure or anticipated failure of Zurn brass fittings.
- (6) See Note 11 Long-Term Debt to our audited consolidated financial statements incorporated by reference into the accompanying prospectus for further information regarding the Company's loss on debt extinguishment.
- (7) On July 19, 2011, the Company sold substantially all of the net assets of a non-material business based in Germany. The Company recorded a pre-tax loss on divestiture of approximately \$6.4 million during fiscal 2012.
- (8) Other expense, net includes the impact of foreign currency transactions, sale of property, plant and equipment, and other miscellaneous expenses. See Management Discussion and Analysis of Financial Condition and Results

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of Operations in our Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2014 and Annual Report on Form 10-K for the fiscal year ended March 31, 2014, which are incorporated by reference into the accompanying prospectus, for further information.

- (9) The Company's initial public offering (IPO) closed on April 3, 2012. Therefore, the common stock issued in connection with the IPO is not included in the outstanding shares as of March 31, 2012 or any prior date.
- (10) Working capital represents total current assets less total current liabilities.
- (11) Total debt represents long-term debt plus the current portion of long-term debt.

S-5

Table of Contents

RISK FACTORS

Investing in our common stock involves risk. You should carefully consider the risk factors set forth below, as well as the other information contained in this prospectus supplement and the accompanying prospectus or incorporated by reference into the accompanying prospectus. In addition to those listed below and elsewhere in this prospectus supplement, you should also consider the risks, uncertainties and assumptions discussed under the caption Item 1A. Risk Factors included in our Annual Report on Form 10-K for the year ended March 31, 2014, and any subsequent filings with the SEC, which are incorporated by reference into the accompanying prospectus. Any of these risks could materially and adversely affect our business, financial condition or results of operations. In such a case, you may lose all or a part of your original investment.

Risks Related to this Offering

Future sales or the possibility of future sales of a substantial amount of our common stock may depress the price of shares of our common stock.

Future sales or the availability for sale of substantial amounts of our common stock in the public market could adversely affect the prevailing market price of our common stock and could impair our ability to raise capital through future sales of equity securities.

All of the outstanding shares of our common stock prior to this offering are eligible for resale under Rule 144 or Rule 701 of the Securities Act or otherwise, subject in certain cases to volume limitations and applicable holding period requirements.

As of September 30, 2014, we had options for an aggregate of 12.9 million shares of our common stock either outstanding or authorized for future issuance pursuant to Roll-Over Options issued in connection with the Merger, under our former 2006 Stock Option Plan or under our 2012 Performance Incentive Plan; issuances of these shares are registered on Registration Statements on Form S-8. Accordingly, shares of our common stock registered under such registration statements will be available for sale in the open market upon exercise by the holders of such options, subject to vesting restrictions and Rule 144 limitations applicable to our affiliates.

We cannot predict the size of future issuances of our common stock or other securities or the effect, if any, that future issuances and sales of our common stock or other securities, including future sales by the selling stockholders, will have on the market price of our common stock. Sales of substantial amounts of common stock (including shares of common stock issued in connection with an acquisition), or the perception that such sales could occur, may adversely affect prevailing market prices for our common stock.

The price and trading volume of our common stock may fluctuate significantly, and you could lose all or part of your investment.

The market price of our common stock may be highly volatile and could be subject to wide fluctuations. In addition, the trading volume of our common stock may fluctuate and cause significant price variations to occur.

Volatility in the market price of our common stock may prevent you from being able to sell your shares at or above the price you paid for your shares of common stock. The market price for our common stock could fluctuate significantly for various reasons, including:

our operating and financial performance and prospects;

our quarterly or annual earnings or those of other companies in our industry;

conditions that impact demand for our products and services;

future announcements concerning our business or our competitors' business;

the public's reaction to our press releases, other public announcements and filings with the SEC;

S-6

Table of Contents

changes in earnings estimates or recommendations by securities analysts who track our common stock or industry;

market and industry perception of our success, or lack thereof, in pursuing our growth strategy or other business strategies;

strategic actions by us or our competitors, such as acquisitions or restructurings;

changes in government and environmental laws and regulation (or interpretation or enforcement thereof);

changes in accounting standards, policies, guidance, interpretations or principles;

arrival or departure of key personnel;