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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of Earliest Event Reported): **April 22, 2005**

RBS GLOBAL, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State of Incorporation or Organization)

333-102428

(Commission File Numbers)

01-0752045

(I.R.S. Employer Identification No.)

4701 Greenfield Avenue, Milwaukee, Wisconsin

(Address of principal executive offices)

REXNORD CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State of Incorporation or Organization)

033-25967-01

04-3722228

(I.R.S. Employer Identification No.)

53214

(ZIP Code)

(414) 643-3000

(Registrant's telephone number, including area code)

(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 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 7.01. Regulation FD Disclosure

On April 5, 2005, Rexnord Corporation, a Delaware corporation and wholly-owned subsidiary of RBS Global, Inc. (“Rexnord”) entered into a definitive agreement (the “Acquisition Agreement”) to purchase the Falk Corporation (“Falk”) from Hamilton Sundstrand, a subsidiary of United Technologies Corporation (“UTC”), for \$295 million. Closing of this transaction, which is expected to occur in the second calendar quarter of 2005, is subject to satisfaction of certain customary closing conditions, including receipt of certain governmental approvals. Certain financial information related to Falk and other information relevant to the transaction and relevant to banks considering participating in the financing is attached as Exhibit 99.1 hereto and is incorporated into this Item 7.01 by reference.

The information in this Item, including the exhibit, is provided under Item 7.01 of Form 8-K and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section. Furthermore, the information in this Item, including the exhibit, shall not be deemed to be incorporated by reference into the filings of the registrant under the Securities Act of 1933 regardless of any general incorporation language in such filings.

Forward-Looking Statements

Statements in this Report that are not strictly historical may be “forward-looking” statements, which involve risks and uncertainties. These include economic and currency conditions, market demand, pricing and competitive and technological factors, among others, as set forth in the companies’ respective filings with the Securities and Exchange Commission.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Financial Information Related to Falk Transaction and Financing

SIGNATURES

Pursuant to the requirements the Securities Exchange Act of 1934, the Co-Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

REXNORD CORPORATION

BY: /s/ Thomas J. Jansen

Thomas J. Jansen
Chief Financial Officer

Date: April 22, 2005

Pursuant to the requirements the Securities Exchange Act of 1934, the Co-Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

RBS GLOBAL, INC.

BY: /s/ Thomas J. Jansen

Thomas J. Jansen
Chief Financial Officer

Date: April 22, 2005

On April 5, 2005, Rexnord Corporation, a Delaware corporation and wholly-owned subsidiary of RBS Global, Inc. (“Rexnord”), entered into a definitive agreement (the “Acquisition Agreement”) to purchase the Falk Corporation (“Falk”) from Hamilton Sundstrand, a subsidiary of United Technologies Corporation (“UTC”), for \$295 million. Closing of this transaction, which is expected to occur in the second calendar quarter of 2005, is subject to satisfaction of certain customary closing conditions, including receipt of certain governmental approvals. Below is certain financial information related to Falk and other information relevant to the transaction and relevant to banks considering participating in the financing.

Statements in this presentation that are not strictly historical may be “forward-looking” statements, which involve risks and uncertainties. These include economic and currency conditions, market demand, pricing and competitive and technological factors, among others, as set forth in the companies’ respective filings with the Securities and Exchange Commission.

In addition, the financial information with respect to Falk that is included in this presentation is based on information provided to Rexnord by members of Falk’s management, and is therefore subject to change.

- (a) Falk generated \$203.1 million of sales and made capital expenditures of \$8.3 million in the fiscal year ended December 31, 2004. The following represents a reconciliation of Falk unaudited results from Net Income to Pro Forma Adjusted EBITDA.

**Reconciliation of Falk 2004 EBITDA and Pro Forma
Adjusted EBITDA**

(Unaudited, \$ in millions)	FYE 12/31/2004
Net Income	\$ 1.0
Tax Expense (Benefit)	(1.1)
Interest Expense	4.1
Depreciation and Amortization Expense	10.7
EBITDA	\$ 14.7
Adjustments:	
Restructuring Expenses (1)	\$ 8.7
Non-Recurring Expenses and Income	0.3
Non-cash LIFO Expense	2.0
Seller Retained Expenses (2)	6.3
Net Standalone Costs (3)	(1.0)
Pro Forma Adjusted EBITDA	\$ 31.0

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- (1) Consists of expenses incurred for a pre-acquisition facility consolidation and the expense associated with a headcount reduction.
 - (2) Consists of expense relating to pension and other post-retirement employee benefit obligations to be retained by seller pursuant to the Acquisition Agreement.
 - (3) Consists of estimated incremental costs to operate Falk under Rexnord’s ownership, net of the UTC corporate allocations.
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(b) The following represents a reconciliation of Rexnord results from Net Income to Pro Forma Adjusted EBITDA.

Reconciliation of Rexnord EBITDA and Pro Forma Adjusted EBITDA

(Unaudited, \$ in millions)	Q4 FY04	9 Months Q3 FY05	LTM 1/2/2005
Net Income	\$ 11.0	\$ 10.5	\$ 21.5
Tax Expense	6.7	7.2	13.9
Other Income/Expense	(1.0)	1.5	0.5
Interest Expense	11.3	32.5	43.8
Amortization Expense	3.5	10.4	13.9
Depreciation Expense	7.5	23.9	31.4
EBITDA	\$ 39.0	\$ 86.0	\$ 125.0
Adjustments:			
Restructuring & Similar Costs (1)	—	\$ 3.0	\$ 3.0
Inventory Under-Absorption (2)	—	3.3	3.3
Non-cash LIFO Expense	—	2.1	2.1
Pro Forma Adjusted EBITDA	\$ 39.0	\$ 94.4	\$ 133.4

- (1) Consists of completed and ongoing non-Falk related restructuring initiatives.
(2) Represents under-absorption of fixed overhead due to reduction in inventory.

EBITDA and Pro Forma Adjusted EBITDA

Rexnord considers EBITDA and Pro Forma Adjusted EBITDA as indicators of operating performance. EBITDA represents earnings before interest, taxes, depreciation and amortization. EBITDA is presented because it is an important supplemental measure of performance and it is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in the industry. EBITDA is also presented and compared by analysts and investors in evaluating the performance of issuers of “high yield” securities because it is a common measure of the ability to meet debt service obligations. Other companies in the industry may calculate EBITDA differently. EBITDA is not a measurement of financial performance under generally accepted accounting principles and should not be considered as an alternative to cash flow from operating activities or as a measure of liquidity or an alternative to net income as indicators of operating performance or any other measures of performance derived in accordance with generally accepted accounting principles. Because EBITDA is calculated before recurring cash charges including interest expense and taxes, and is not adjusted for capital expenditures or other recurring cash requirements of the business, it should not be considered as a measure of discretionary cash available to invest in the growth of the business.

Pro Forma Adjusted EBITDA represents EBITDA plus the respective additional adjustments noted in the tables above. We believe Pro Forma Adjusted EBITDA, as compared to EBITDA, is a useful performance measure because the additional adjustments either (i) reflect earnings and expenses we consider non-representative of the ongoing business for the reasons specified in the footnotes above or (ii) are useful for purposes of comparing our results to other companies in the industry. Pro Forma Adjusted EBITDA is not a measurement of financial performance under generally accepted accounting principles and should not be considered as an alternative to cash flow from operating activities or as a measure of liquidity or an alternative to net income as indicators of operating performance or any other measures of performance derived in accordance with generally accepted accounting principles.

(c) Rexnord will need to obtain financing for \$295 million to purchase the equity of Falk and an additional \$17 million to cover transaction fees and expenses, for a total debt requirement of \$312 million. Rexnord is proposing to amend its existing credit facility and add additional Term Loan B debt to finance the transaction. In the fourth quarter of fiscal 2005, Rexnord repaid \$31 million of its existing Term Loan B leaving \$275 million outstanding as of March 31, 2005. Below are key proposed terms of the amended credit facility.

Key Terms of Amended Credit Facility(1)

Incremental Term Loan B	
Amount:	\$312 million
Maturity:	December 2011
Interest Rate:	L + 225 bps (with step-down at total leverage of 3.75x)
Security and Guarantees:	Substantially similar to existing agreement
Mandatory Redemption:	100% asset sales, 100% debt proceeds, 50% excess cash flow sweep (with step-downs based on leverage)
Financial Covenants:	Maximum Leverage Ratio Minimum Interest Coverage Ratio Maximum Capital Expenditures

(1) The Existing Revolver and Term Loan B to be amended on similar terms as the Incremental Term Loan B.
