

**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): January 31, 2012

RBS GLOBAL, INC.

(Exact Name of Registrant as Specified in Its Charter)

REXNORD LLC

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State of Incorporation or Organization)

333-102428-08

(Commission File Numbers)

01-0752045

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

**4701 West Greenfield Avenue
Milwaukee, Wisconsin**

(Address of Principal Executive Offices)

Delaware

(State of Incorporation or Organization)

033-25967-01

(Commission File Numbers)

04-3722228

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

53214

(ZIP Code)

(414) 643-3000

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

The Co-Registrants are filing this Current Report on Form 8-K to furnish the earnings release of Rexnord LLC dated January 31, 2012, regarding third fiscal quarter financial results, which is attached hereto as Exhibit 99.1. The information in this Item, including Exhibit 99.1, is “furnished” and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liability of that section, nor shall it be deemed to be incorporated by reference in any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, regardless of any general incorporation language in such filing.

Item 9.01. Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Earnings Release dated January 31, 2012

This exhibit is furnished pursuant to Item 2.02 and shall not be deemed to be “filed.”

EXHIBIT LIST

<u>Exhibit No.</u>	<u>Description</u>
99.1	Earnings Release dated January 31, 2012



Press Release

January 31, 2012 Contact Information:
 For Immediate Release Mark Peterson
 Senior Vice President and
 Chief Financial Officer
 414.643.3000

Rexnord LLC Reports Third Quarter Results for Fiscal 2012

Call scheduled for Wednesday, February 1, 2012 at 10:00 a.m. Eastern Time

MILWAUKEE, WI - January 31, 2012

Consolidated Highlights:

- Net sales increased 17% from the prior year third quarter to \$492 million. Core sales growth was 7% in the quarter.
- Income from operations for the third quarter was \$51 million or 10% of net sales and includes \$8.0 million (160 basis point impact) of restructuring charges and inventory adjustments primarily related to the VAG acquisition.
- Adjusted EBITDA was \$90 million or 18.2% of net sales.
- Total liquidity of \$294 million (\$220 million cash plus \$74 million available borrowings).

“We are pleased with the 7% core growth we delivered in the third quarter. The growth investments we have made around innovation, share gain initiatives in key global vertical markets and emerging market expansion is driving solid growth within our PMC platform which grew 11% on a core basis in the quarter. In our WM platform, our Zurn business continues to post solid growth despite a challenging market environment and our acquisition of VAG provides us the footprint, product and technical capabilities to capture the global growth element that we needed in our WM platform.” commented Todd A. Adams, President and Chief Executive Officer.

Third Quarter Fiscal 2012 Segment Highlights

Process & Motion Control

Process & Motion Control ("PMC") core net sales in the third quarter increased 11% year-over-year due to continued solid demand and market share gains across the majority of our served global markets. Net sales were \$323 million, an increase of 8% from the prior year third quarter, which includes the year-over-year impact of a fiscal 2012 second quarter divestiture.

PMC Adjusted EBITDA in the third quarter improved 14% to \$77 million or 23.7% of sales, which is primarily driven by productivity gains and operating leverage on higher year-over-year sales volume net of increased investment in new product development and global growth capabilities.

Water Management

Water Management net sales in the third quarter increased 41% from the prior year to \$169 million as a result of the acquisition of VAG, the impact of market share gains and increased alternative market sales, which was partially offset by weakness in the North American municipal water markets.

Water Management Adjusted EBITDA in the third quarter was \$20 million, or 11.9% of net sales. Fiscal 2012 EBITDA margins were adversely impacted by \$2.0 million of non-recurring inventory adjustments (120 basis point impact), as well as short-term facility consolidation costs and lower profitability of certain long-lead time projects for the North American municipal water markets.

EBITDA, Adjusted EBITDA and Free Cash Flow

Rexnord considers EBITDA and Adjusted EBITDA as key financial 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 analysts, investors and other interested parties in the evaluation of companies in our 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 our industry may calculate EBITDA differently. EBITDA is not a measurement of financial performance under generally accepted accounting principles (“GAAP”) 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 GAAP. 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. See the Condensed Consolidated Statements of Cash Flows included in the attached financial statements.

Adjusted EBITDA corresponds to “EBITDA” in the Company's credit agreement. Adjusted EBITDA is defined in the credit agreement governing our senior secured credit facilities as net income, adjusted for the items summarized in the table below entitled “Reconciliation of EBITDA and Adjusted EBITDA.” Our credit agreement requires us to maintain a maximum senior secured bank leverage ratio (defined in our credit agreement as the ratio of net senior secured bank debt to Adjusted EBITDA) of no more than 4.25 to 1.0, calculated on a pro forma basis for the trailing four quarters (as determined under our senior secured credit facilities). Adjusted EBITDA is not a presentation made in accordance with GAAP, and our use of the term Adjusted EBITDA varies from others in our industry. This measure should not be considered as an alternative to net income, income from operations or any other performance measures derived in accordance with GAAP. Adjusted EBITDA has important limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under GAAP. For example, Adjusted EBITDA does not reflect: (a) our capital expenditures, future requirements for capital expenditures or contractual commitments; (b) changes in, or cash requirements for, our working capital needs; (c) the significant interest expenses, or the cash requirements necessary to service interest or principal payments, on our debt; (d) tax payments that represent a reduction in cash available to us; (e) any cash requirements for the assets being depreciated and amortized that may have to be replaced in the future; (f) management fees that may be paid to Apollo; or (g) the impact of earnings or charges resulting from matters that we and the lenders under our secured senior credit facilities may not consider indicative of our ongoing operations. In particular, our definition of Adjusted EBITDA allows us to add back certain non-cash, non-operating or non-recurring charges that are deducted in calculating net income, even though these are expenses that may recur, vary greatly and are difficult to predict and can represent the effect of long-term strategies as opposed to short-term results. In addition, certain of these expenses can represent the reduction of cash that could be used for other corporate purposes. Further, although not included in the calculation of Adjusted EBITDA below, the measure may at times allow us to add estimated cost savings and operating synergies related to operational changes ranging from acquisitions to dispositions to restructurings and/or exclude one-time transition expenditures that we anticipate we will need to incur to realize cost savings before such savings have occurred. For more information regarding the limitations of using measures such as EBITDA and Adjusted EBITDA as indicators of our operating performance, please see the risk factor entitled “The calculation of Adjusted EBITDA pursuant to our senior secured credit facilities represents our actual historical covenant compliance calculations and permits certain estimates and assumptions that may differ materially from actual results” in Exhibit 99.1 to our current report on Form 8-K furnished on October 10, 2008.

We define Free Cash Flow as cash flow from operations less capital expenditures.

About Rexnord

Headquartered in Milwaukee, Wisconsin, Rexnord is comprised of two strategic platforms, Process & Motion Control and Water Management, with approximately 7,400 employees worldwide. The Process & Motion Control platform designs, manufactures, markets and services specified, highly-engineered mechanical components used within complex systems. The Water Management platform designs, procures, manufactures and markets products that provide and enhance water quality, safety, flow control and conservation. Additional information about the Company can be found at www.rexnord.com.

Conference Call Details

Rexnord will hold a conference call on Wednesday, February 1, 2012 at 10:00 a.m. Eastern Time to discuss its fiscal 2012 third quarter results and provide a general business update. Rexnord President and CEO, Todd Adams, and Senior Vice President and CFO, Mark Peterson, will co-host the call. The conference call can be accessed via telephone as follows:

Domestic toll-free #: 877-723-9511

International toll #: 719-325-4891

Access Code: 2841110

The web presentation can be accessed via the following web link:

Meeting URL: <https://www119.livemeeting.com/cc/vcc/join>

Meeting ID: w2841110

Entry Code: A284111

If you are unable to participate during the live teleconference, a replay of the conference call will be available from 1:00 p.m. Eastern Time, February 1, 2012 until 1:00 p.m. Eastern Time, February 15, 2012. To access the replay, please dial 888-203-1112 (domestic) or 719-457-0820 (international) with access code 2841110.

Cautionary Statement on Forward-Looking Statements

Information in this release may involve guidance, expectations, beliefs, plans, intentions or strategies regarding the future. These forward-looking statements involve risks and uncertainties. All forward-looking statements included in this release are based upon information available to Rexnord LLC as of the date of the release, and Rexnord LLC assumes no obligation to update any such forward-looking statements. The statements in this release are not guarantees of future performance and actual results could differ materially from current expectations. Numerous factors could cause or contribute to such differences. Please refer to the Company's annual, quarterly and current reports filed on Forms 10-K, 10-Q and 8-K from time to time with the Securities and Exchange Commission for a further discussion of the factors and risks associated with the business.

RBS Global, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations
(in Millions)
(Unaudited)

	Third Quarter Ended		Nine Months Ended	
	December 31, 2011	January 1, 2011	December 31, 2011	January 1, 2011
Net sales	\$ 492.4	\$ 419.8	\$ 1,423.8	\$ 1,239.4
Cost of sales	327.2	274.7	931.3	807.0
Gross profit	165.2	145.1	492.5	432.4
Selling, general and administrative expenses	98.5	80.1	276.3	237.2
Restructuring and other similar charges	2.7	—	2.7	—
Amortization of intangible assets	12.7	12.4	37.6	36.4
Income from operations	51.3	52.6	175.9	158.8
Non-operating expense:				
Interest expense, net	(45.1)	(42.7)	(131.2)	(131.3)
Loss on the extinguishment of debt	—	—	—	(100.8)
Loss on divestiture	—	—	(6.9)	—
Other expense, net	(3.0)	(4.7)	(10.8)	(2.8)
Income (loss) before income taxes	3.2	5.2	27.0	(76.1)
(Benefit) provision for income taxes	(2.4)	3.1	(7.3)	(23.4)
Net income (loss)	<u>\$ 5.6</u>	<u>\$ 2.1</u>	<u>\$ 34.3</u>	<u>\$ (52.7)</u>

RBS Global, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(in Millions, except share amounts)
(Unaudited)

	December 31, 2011	March 31, 2011
Assets		
Current assets:		
Cash and cash equivalents	\$ 220.1	\$ 390.3
Receivables, net	299.6	270.1
Inventories, net	329.6	283.8
Other current assets	55.2	36.5
Total current assets	904.5	980.7
Property, plant and equipment, net	414.2	358.4
Intangible assets, net	649.7	644.7
Goodwill	1,115.9	1,016.2
Insurance for asbestos claims	65.0	65.0
Pension assets	6.3	4.6
Other assets	48.1	31.5
Total assets	<u>\$ 3,203.7</u>	<u>\$ 3,101.1</u>
Liabilities and stockholders' (deficit) equity		
Current liabilities:		
Current portion of long-term debt	\$ 3.3	\$ 11.0
Trade payables	180.4	181.7
Compensation and benefits	55.8	67.9
Current portion of pension and postretirement benefit obligations	6.2	6.1
Interest payable	36.3	51.3
Other current liabilities	113.8	85.4
Total current liabilities	395.8	403.4
Long-term debt	2,400.8	2,209.9
Pension and postretirement benefit obligations	111.1	113.2
Deferred income taxes	221.9	224.1
Reserve for asbestos claims	65.0	65.0
Other liabilities	42.6	47.1
Total liabilities	3,237.2	3,062.7
Stockholders' (deficit) equity:		
Common stock, \$0.01 par value; 3,000 shares authorized and 1,000 shares issued and outstanding	0.1	0.1
Additional paid-in capital	439.8	537.1
Retained deficit	(480.6)	(514.9)
Accumulated other comprehensive income	8.2	16.1
Total Rexnord stockholders' (deficit) equity	(32.5)	38.4
Non-controlling interest	(1.0)	—
Total stockholders' (deficit) equity	(33.5)	38.4
Total liabilities and stockholders' (deficit) equity	<u>\$ 3,203.7</u>	<u>\$ 3,101.1</u>

RBS Global, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows
(in Millions)
(Unaudited)

	Nine Months Ended	
	December 31, 2011	January 1, 2011
Operating activities		
Net income (loss)	\$ 34.3	\$ (52.7)
Adjustments to reconcile net income (loss) to cash provided by operating activities:		
Depreciation	46.2	43.2
Amortization of intangible assets	37.6	36.4
Amortization of deferred financing costs	5.8	5.8
Loss on dispositions of property, plant and equipment	0.8	1.4
Non-cash loss on divestiture	4.5	—
Equity in earnings of unconsolidated affiliates	—	(4.1)
Other non-cash charges	7.4	1.1
Loss on debt extinguishment	—	100.8
Stock-based compensation expense	2.7	4.1
Changes in operating assets and liabilities:		
Receivables	7.7	(3.9)
Inventories	(12.2)	(16.4)
Other assets	(13.7)	(2.8)
Accounts payable	(16.3)	3.3
Accruals and other	(42.4)	(39.7)
Cash provided by operating activities	62.4	76.5
Investing activities		
Expenditures for property, plant and equipment	(39.0)	(19.7)
Acquisitions, net of cash	(256.8)	1.2
Loan receivable for financing under New Market Tax Credit incentive program	(17.9)	—
Proceeds from dispositions of property, plant, and equipment	5.6	—
Proceeds from divestiture, net of transaction costs	3.4	—
Proceeds from sale of unconsolidated affiliate	—	0.9
Cash used for investing activities	(304.7)	(17.6)
Financing activities		
Proceeds from borrowings of long-term debt	1.3	1,145.0
Repayments of long-term debt	(4.0)	(1,070.4)
Proceeds from borrowings of short-term debt	1.0	1.6
Repayments of short-term debt	(8.5)	(1.8)
Proceeds from financing under New Market Tax Credit incentive program	23.4	—
Proceeds from borrowings on revolving credit facility	89.8	—
Proceeds from borrowings on AR securitization facility	75.0	—
Payment of deferred financing fees	(3.5)	(14.6)
Payment of tender premium	—	(63.5)
Dividend payment to parent company	(100.0)	(2.4)
Excess tax benefit on exercise of stock options	—	0.5
Cash provided by (used for) financing activities	74.5	(5.6)
Effect of exchange rate changes on cash and cash equivalents	(2.4)	1.4
(Decrease) increase in cash and cash equivalents	(170.2)	54.7
Cash and cash equivalents at beginning of period	390.3	263.2
Cash and cash equivalents at end of period	\$ 220.1	\$ 317.9

RBS Global, Inc. and Subsidiaries
Reconciliation of EBITDA and Adjusted EBITDA
Third quarter
(in millions)
(Unaudited)

	Quarter Ended	
	December 31, 2011	January 1, 2011
Net income	\$ 5.6	\$ 2.1
Interest expense, net	45.1	42.7
Income tax (benefit) provision	(2.4)	3.1
Depreciation and amortization	30.0	27.3
EBITDA	\$ 78.3	\$ 75.2
Adjustments to EBITDA (1)		
Restructuring	\$ 2.7	\$ —
Impact of inventory fair value adjustment	3.3	—
Stock option expense	0.6	1.4
LIFO expense	1.8	1.0
CDSOA Recovery	(0.5)	(0.7)
Other expense, net	3.5	5.4
Subtotal of adjustments to EBITDA	11.4	7.1
Adjusted EBITDA	\$ 89.7	\$ 82.3

Notes to Reconciliation of EBITDA and Adjusted EBITDA

(1) Adjustments to EBITDA

We define Adjusted EBITDA as net income (loss) plus interest, income taxes, depreciation and amortization, adjustments for restructuring, stock-based compensation expense, last-in first-out ("LIFO") inventory adjustments, other expense, and nonrecurring items, in each case as permitted under our credit agreement. Other expense, net for the quarter ended December 31, 2011, consists of management fee expense of \$0.7 million, foreign currency transaction losses of \$2.7 million and other miscellaneous losses of \$0.1 million. Other expense, net for the quarter ended January 1, 2011, consists of management fee expense of \$0.8 million, foreign currency translation losses of \$4.4 million and other miscellaneous losses of \$0.2 million.

RBS Global, Inc. and Subsidiaries
Reconciliation of EBITDA and Adjusted EBITDA
Nine Months Ended
(in millions)
(Unaudited)

	Nine Months Ended	
	December 31, 2011	January 1, 2011
Net income (loss)	\$ 34.3	\$ (52.7)
Interest expense, net	131.2	131.3
Income tax benefit	(7.3)	(23.4)
Depreciation and amortization	83.8	79.6
EBITDA	\$ 242.0	\$ 134.8
Adjustments to EBITDA (1)		
Loss on divestiture	\$ 6.9	\$ —
Restructuring	2.7	—
Loss on extinguishment of debt	—	100.8
Impact of inventory fair value adjustment	4.2	—
Stock option expense	2.7	4.1
LIFO expense	4.9	3.0
CDSOA Recovery	(0.5)	(0.7)
Other expense, net	11.3	3.5
Subtotal of adjustments to EBITDA	32.2	110.7
Adjusted EBITDA	\$ 274.2	\$ 245.5

Notes to Reconciliation of EBITDA and Adjusted EBITDA

(1) Adjustments to EBITDA

We define Adjusted EBITDA as net income (loss) plus interest, income taxes, depreciation and amortization, adjustments for restructuring, stock-based compensation expense, last-in first-out ("LIFO") inventory adjustments, other expense, and nonrecurring items, in each case as permitted under our credit agreement. Other expense, net for the nine months ended December 31, 2011, consists of management fee expense of \$2.2 million, foreign currency transaction losses of \$8.0 million and other miscellaneous losses of \$1.1 million. Other expense, net for the nine months ended January 1, 2011, consists of management fee expense of \$2.3 million, income in unconsolidated affiliates of \$4.0 million (includes \$3.4 million gain recorded as a result of our step acquisition of 100% of the voting shares in Mecánica Falk in August 2010), foreign currency transaction losses of \$3.4 million and other miscellaneous losses of \$1.8 million.

RBS Global, Inc. and Subsidiaries
Supplemental Data
(in millions)
(Unaudited)

	Fiscal 2012				
	Q1	Q2	Q3	Q4	Total
Net sales					
Process & Motion Control	\$ 331.2	\$ 317.0	\$ 323.0		\$ 971.2
Water Management	145.0	138.2	169.4		452.6
Corporate	—	—	—		—
Total	<u>\$ 476.2</u>	<u>\$ 455.2</u>	<u>\$ 492.4</u>		<u>\$ 1,423.8</u>
Adjusted EBITDA					
Process & Motion Control	\$ 72.0	\$ 74.1	\$ 76.6		\$ 222.7
Water Management	27.8	22.9	20.2		70.9
Corporate	(6.2)	(6.1)	(7.1)		(19.4)
Total	<u>\$ 93.6</u>	<u>\$ 90.9</u>	<u>\$ 89.7</u>		<u>\$ 274.2</u>
Adjusted EBITDA %					
Process & Motion Control	21.7%	23.4%	23.7%		22.9%
Water Management	19.2%	16.6%	11.9%		15.7%
Total (including Corporate)	19.7%	20.0%	18.2%		19.3%
Fiscal 2011					
	Q1	Q2	Q3	Q4	Total
Net sales					
Process & Motion Control	\$ 265.5	\$ 282.1	\$ 299.6	\$ 327.9	\$ 1,175.1
Water Management	141.8	130.2	120.2	132.3	524.5
Corporate	—	—	—	—	—
Total	<u>\$ 407.3</u>	<u>\$ 412.3</u>	<u>\$ 419.8</u>	<u>\$ 460.2</u>	<u>\$ 1,699.6</u>
Adjusted EBITDA					
Process & Motion Control	\$ 55.6	\$ 63.1	\$ 67.4	\$ 76.8	\$ 262.9
Water Management	30.2	25.6	20.8	23.5	100.1
Corporate	(5.6)	(5.7)	(5.9)	(10.1)	(27.3)
Total	<u>\$ 80.2</u>	<u>\$ 83.0</u>	<u>\$ 82.3</u>	<u>\$ 90.2</u>	<u>\$ 335.7</u>
Adjusted EBITDA %					
Process & Motion Control	20.9%	22.4%	22.5%	23.4%	22.4%
Water Management	21.3%	19.7%	17.3%	17.8%	19.1%
Total (including Corporate)	19.7%	20.1%	19.6%	19.6%	19.8%