

OLYMPIC STEEL INC
Form 10-Q
May 03, 2013

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the quarterly period ended March 31, 2013

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the transition period from _____ to _____

Commission File Number 0-23320

OLYMPIC STEEL, INC.
(Exact name of registrant as specified in its charter)

Ohio (State or other jurisdiction of incorporation or organization)	34-1245650 (I.R.S.Employer Identification Number)
5096 Richmond Road, Bedford Heights, Ohio (Address of principal executive offices)	44146 (Zip Code)

Registrant's telephone number, including area code (216) 292-3800

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes (X) No ()

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes (X) No ()

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer" "accelerated filer" and "smaller reporting

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company” in Rule 12b-2 of the Exchange Act:

Large accelerated filer ()

Accelerated filer (X)

Non-accelerated filer ()

Smaller reporting company ()

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined Rule 12b-2 of the Exchange Act). Yes

() No (X)

Indicate the number of shares of each of the issuer's classes of common stock, as of the latest practicable date:

Class	Outstanding as of May 3, 2013
Common stock, without par value	10,929,016

Olympic Steel, Inc.
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Part I. FINANCIAL INFORMATION

Item 1. Financial Statements

Olympic Steel, Inc.
Consolidated Balance Sheets
(in thousands)

	As of	
	March 31, 2013 (unaudited)	December 31, 2012 (audited)
Assets		
Cash and cash equivalents	\$2,799	\$7,782
Accounts receivable, net	149,611	112,841
Inventories, net (includes LIFO debit of \$1,932 as of March 31, 2013)	275,185	290,023
Prepaid expenses and other	6,957	11,731
Total current assets	434,552	422,377
Property and equipment, at cost	348,939	347,935
Accumulated depreciation	(156,274)	(151,608)
Net property and equipment	192,665	196,327
Goodwill	40,787	40,787
Intangible assets, net	35,202	35,424
Other long-term assets	12,211	11,079
Total assets	\$715,417	\$705,994
Liabilities		
Current portion of long-term debt	\$15,255	\$15,282
Accounts payable	110,904	101,471
Accrued payroll	9,964	10,705
Other accrued liabilities	16,263	14,984
Total current liabilities	152,386	142,442
Credit facility revolver	174,955	177,575
Long-term debt	46,667	48,854
Other long-term liabilities	10,870	11,410
Deferred income taxes	34,821	35,856
Total liabilities	419,699	416,137
Shareholders' Equity		
Preferred stock	-	-
Common stock	123,186	122,272
Accumulated other comprehensive loss	(576)	(579)
Retained earnings	173,108	168,164
Total shareholders' equity	295,718	289,857
Total liabilities and shareholders' equity	\$715,417	\$705,994

The accompanying notes are an integral part of these consolidated statements.

Olympic Steel, Inc.
Consolidated Statements of Comprehensive Income
For the Three Months Ended March 31,

(in thousands, except per share data)

	2013 (unaudited)	2012
Net sales	\$338,064	\$382,052
Costs and expenses		
Cost of materials sold (excludes items shown separately below)	266,154	306,678
Warehouse and processing	20,506	21,222
Administrative and general	18,149	18,374
Distribution	8,974	9,059
Selling	6,586	7,141
Occupancy	2,599	2,323
Depreciation	5,293	4,770
Amortization	222	222
Total costs and expenses	328,483	369,789
Operating income	9,581	12,263
Other income, net	23	34
Income before interest and income taxes	9,604	12,297
Interest and other expense on debt	1,698	2,108
Income before income taxes	7,906	10,189
Income tax provision	2,743	3,959
Net income	\$5,163	\$6,230
Net loss on interest rate hedge, net of tax \$2	(3) -
Total comprehensive income	\$5,160	\$6,230
Earnings per share:		
Net income per share - basic	\$0.47	\$0.57
Weighted average shares outstanding - basic		