

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) March 13, 2015

Park-Ohio Holdings Corp.

(Exact name of registrant as specified in its charter)

<u>Ohio</u> (State or other jurisdiction of incorporation)	<u>000-03134</u> (Commission File Number)	<u>34-1867219</u> (I.R.S. Employer Identification No.)
<u>6065 Parkland Blvd., Cleveland, Ohio</u> (Address of principal executive offices)		<u>44124</u> (Zip Code)

Registrant's telephone number, including area code (440) 947-
2000

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.):

- ☐ 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 2.02 **Results of Operations and Financial Condition.**

On March 13, 2015, the Park-Ohio Holdings Corp. issued a press release announcing its year ended December 31, 2014 results. The press release is attached hereto as Exhibit 99.1.

The information contained in this Current Report shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 **Financial Statements and Exhibits.**

(d) Exhibits

Exhibit Number	Description
99.1	Park-Ohio Holdings Corp. Press Release, dated March 13, 2015

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.

Park-Ohio Holdings Corp.

(Registrant)

Dated: March 13, 2015

/s/ W. Scott Emerick

W. Scott Emerick

Vice President and Chief Financial Officer

Exhibit Index

Exhibit Number	Description
99.1	Park-Ohio Holdings Corp. Press Release, dated March 13, 2015



ParkOhio Announces Increased Revenues and Earnings in the Fourth Quarter and Record Annual Results

- Fourth quarter revenues of \$373.0 million increased 21% from prior year quarter
- Fourth quarter GAAP earnings increased 19% to \$0.86 per diluted share from prior year quarter
- Fourth quarter as adjusted earnings increased 6% to \$0.90 per diluted share
- Record annual revenues of \$1.4 billion
- Record annual GAAP earnings of \$3.68 per diluted share and record annual as adjusted earnings of \$3.84 per diluted share
- Record annual EBITDA, as defined of \$128.3 million
- GAAP earnings guidance for 2015 EPS provided at \$4.30 to \$4.70

CLEVELAND, OHIO March 13, 2015 — ParkOhio (NASDAQ: PKOH) today announced results for its fourth quarter and year ended December 31, 2014.

FOURTH QUARTER RESULTS

Net sales were \$373.0 million for the fourth quarter of 2014, an increase of \$63.6 million, or 21%, from net sales of \$309.4 million for the fourth quarter of 2013.

ParkOhio reported net income attributable to ParkOhio common shareholders of \$10.7 million, or \$0.86 per diluted share, for the fourth quarter of 2014. This compared to net income attributable to ParkOhio common shareholders of \$8.9 million, or \$0.72 per diluted share, for the fourth quarter of 2013. Earnings from continuing operations attributable to ParkOhio common shareholders, which excludes the impact of the loss from discontinued operations in 2013, increased 16% to \$0.86 per diluted share in the fourth quarter of 2014 from \$0.74 per diluted share in the fourth quarter of 2013. As adjusted earnings increased 6% in the fourth quarter of 2014 to \$0.90 per diluted share compared to \$0.85 per diluted share in the fourth quarter of 2013. Please refer to the table that follows for a reconciliation of earnings from continuing operations to as adjusted earnings.

In addition, EBITDA, as defined was \$31.7 million during the fourth quarter of 2014 and increased 17% compared to EBITDA, as defined of \$27.0 million during the fourth quarter of 2013.

FULL YEAR 2014 RESULTS

Net sales were a company record \$1,378.7 million for 2014, an increase of \$175.5 million, or 15%, from net sales of \$1,203.2 million in 2013. ParkOhio reported a company record net income attributable to ParkOhio common shareholders of \$45.6 million, or \$3.68 per diluted share, for 2014. This compares to net income attributable to ParkOhio common shareholders of \$43.4 million, or \$3.56 per diluted share, for 2013, which included the impact of the net gain of \$3.0 million, or \$0.25 per diluted share, from discontinued operations, net of taxes. Earnings from continuing operations attributable to ParkOhio common shareholders, which excludes the impact of the gain from discontinued operations, increased 11% to \$3.68 per diluted share in 2014 compared to \$3.31 per diluted share in 2013. As adjusted earnings increased 5% in 2014 to \$3.84 per diluted share compared to \$3.66 per diluted share in 2013. Please refer to the table that follows for a reconciliation of earnings from continuing operations to as adjusted earnings.

In addition, EBITDA, as defined was \$128.3 million for 2014 and increased 11% compared to EBITDA, as defined of \$115.8 million for 2013.

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2015 OUTLOOK

We currently forecast our consolidated 2015 revenues to increase approximately 14% over 2014 revenues. We forecast our earnings from continuing operations attributable to ParkOhio common shareholders to be in the range of \$4.30 to \$4.70 per diluted share. We forecast as adjusted earnings to be in the range of \$4.32 to \$4.72 per diluted share. In addition, we are forecasting EBITDA, as defined to be in the range of \$145.0 million to \$152.5 million for the year ended December 31, 2015. EBITDA, as defined reflects earnings before interest expense and income taxes, and excludes depreciation, amortization, certain non-cash charges and corporate-level expenses as defined in the Company's Revolving Credit Agreement.

Edward F. Crawford, Chairman and Chief Executive Officer stated, "We continue to execute our previously announced N5 plan through organic growth and strategic acquisitions."

A conference call reviewing ParkOhio's fourth quarter results will be broadcast live over the Internet on Monday, March 16, commencing at 10:00 am Eastern Time. Simply log on to <http://www.pkoh.com>.

ParkOhio is a leading provider of supply management services and a manufacturer of highly-engineered products. Headquartered in Cleveland, Ohio, the Company operates 45 manufacturing sites and 55 supply chain logistics facilities.

This news release contains forward-looking statements, including statements regarding future performance of the Company that, are subject to known and unknown risks, uncertainties and other factors that may cause our actual results, performance and achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These factors that could cause actual results to differ materially from expectations include, but are not limited to the following: our substantial indebtedness; the uncertainty of the global economic environment; general business conditions and competitive factors, including pricing pressures and product innovation; demand for our products and services; raw material availability and pricing; fluctuations in energy costs; component part availability and pricing; changes in our relationships with customers and suppliers; the financial condition of our customers, including the impact of any bankruptcies; our ability to successfully integrate recent and future acquisitions into existing operations; the amounts and timing, if any, of purchases of our common stock; changes in general domestic economic conditions such as inflation rates, interest rates, tax rates, unemployment rates, higher labor and healthcare costs, recessions and changing government policies, laws and regulations, including the uncertainties related to the current global financial crises; adverse impacts to us, our suppliers and customers from acts of terrorism or hostilities; our ability to meet various covenants, including financial covenants, contained in the agreements governing our indebtedness; disruptions, uncertainties or volatility in the credit markets that may limit our access to capital; potential disruption due to a partial or complete reconfiguration of the European Union; increasingly stringent domestic and foreign governmental regulations, including those affecting the environment; inherent uncertainties involved in assessing our potential liability for environmental remediation-related activities; the outcome of pending and future litigation and other claims and disputes with customers; the outcome of the review being conducted by the special committee of our board of directors; our dependence on the automotive and heavy-duty truck industries, which are highly cyclical; the dependence of the automotive industry on consumer spending, which could be lower due to the effects of the recent financial crises; our ability to negotiate contracts with labor unions; our dependence on key management; our dependence on information systems; and the other factors we describe under the "Item 1A. Risk Factors" included in the Company's annual report on Form 10-K for the year ended December 31, 2013. Any forward-looking statement speaks only as of the date on which such statement is made, and we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law. In light of these and other uncertainties, the inclusion of a forward-looking statement herein should not be regarded as a representation by us that our plans and objectives will be achieved. The Company assumes no obligation to update the information in this release.

CONTACT: EDWARD F. CRAWFORD
PARKOHIO
(440) 947-2000

PARKOHIO AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

	Three Months Ended December 31,		Year Ended December 31,	
	2014	2013	2014	2013
(In millions, except earnings per share data)				
Net sales	\$ 373.0	\$ 309.4	\$ 1,378.7	\$ 1,203.2
Cost of sales	316.1	262.1	1,144.2	992.2
Gross profit	56.9	47.3	234.5	211.0
Selling, general and administrative expenses	33.7	28.0	136.6	120.2
Litigation judgment and settlement costs	—	—	—	5.2
Operating income	23.2	19.3	97.9	85.6
Gain on acquisition of business	—	—	—	(0.6)
Interest expense	6.7	6.5	26.1	25.9
Income from continuing operations before income taxes	16.5	12.8	71.8	60.3
Income tax expense	5.3	3.4	24.9	19.4
Net income from continuing operations	11.2	9.4	46.9	40.9
Income (loss) from discontinued operations, net of taxes	—	(0.2)	—	3.0
Net income	11.2	9.2	46.9	43.9
Net income attributable to noncontrolling interest	(0.5)	(0.3)	(1.3)	(0.5)
Net income attributable to ParkOhio common shareholders	\$ 10.7	\$ 8.9	\$ 45.6	\$ 43.4
Earnings (loss) per common share attributable to ParkOhio common shareholders -				
Basic:				
Continuing operations	\$ 0.88	\$ 0.76	\$ 3.77	\$ 3.40
Discontinued operations	—	(0.02)	—	0.25
Total	\$ 0.88	\$ 0.74	\$ 3.77	\$ 3.65
Earnings (loss) per common share attributable to ParkOhio common shareholders -				
Diluted:				
Continuing operations	\$ 0.86	\$ 0.74	\$ 3.68	\$ 3.31
Discontinued operations	—	(0.02)	—	0.25
Total	\$ 0.86	\$ 0.72	\$ 3.68	\$ 3.56
Weighted-average shares used to compute earnings per share:				
Basic	12.1	12.0	12.1	11.9
Diluted	12.4	12.3	12.4	12.2
Other financial data:				
EBITDA, as defined	\$ 31.7	\$ 27.0	\$ 128.3	\$ 115.8

PARKOHIO AND SUBSIDIARIES
SUPPLEMENTAL NON-GAAP FINANCIAL MEASURES (UNAUDITED)

As adjusted earnings is a measure of earnings that excludes significant non-cash credits and charges and significant and infrequent contingency expenses. As adjusted earnings reflects net income from continuing operations after: the exclusion of net income attributable to noncontrolling interest and before the inclusion of acquisition-related costs in cost of sales and selling, general and administrative ("SG&A") expenses; currency exchange losses (gains) related to non-permanent intercompany loans; litigation judgments and settlement costs; and gain on acquisition of business. The acquisition-related costs in cost of sales relate to the fair value measurements to inventory acquired from the acquisitions that were expensed during the periods presented. Acquisition-related costs in SG&A expenses relate to contingent consideration expenses related to certain acquisitions. As adjusted earnings are not a measure of performance under generally accepted accounting principles ("GAAP") and should not be considered in isolation or as a substitute for net income from continuing operations, cash flows from operating, investing and financing activities and other income or cash flow statement data prepared in accordance with GAAP or as a measure of profitability or liquidity. The Company presents as adjusted earnings because management uses as adjusted earnings to measure performance. As adjusted earnings herein may not be comparable to other similarly titled measures of other companies. The following table reconciles net income from continuing operations to as adjusted earnings:

	Three Months Ended December 31,				Year Ended December 31,			
	2014		2013		2014		2013	
	Earnings	Diluted EPS	Earnings	Diluted EPS	Earnings	Diluted EPS	Earnings	Diluted EPS
(In millions, except for earnings per share (EPS))								
Net income from continuing operations	\$ 11.2	\$ 0.90	\$ 9.4	\$ 0.76	\$ 46.9	\$ 3.79	\$ 40.9	\$ 3.35
Net income attributable to noncontrolling interest	(0.5)	(0.04)	(0.3)	(0.02)	(1.3)	(0.11)	(0.5)	(0.04)
Earnings from continuing operations attributable to ParkOhio common shareholders	10.7	0.86	9.1	0.74	45.6	3.68	40.4	3.31
Add back (deduct):								
Acquisition-related costs in cost of sales, net of tax benefit	0.1	0.01	1.3	0.11	0.2	0.02	1.3	0.11
Acquisition-related costs in selling, general and administrative expenses, net of tax benefit	0.1	0.01	0.4	0.03	0.9	0.07	0.4	0.03
Currency exchange losses (gains) related to non-permanent intercompany loans, net of tax benefit	0.3	0.02	(0.3)	(0.03)	0.8	0.07	(0.3)	(0.03)
Litigation judgment and settlement costs, net of tax benefit	—	—	—	—	—	—	3.3	0.27
Gain on acquisition of business, net of tax expense	—	—	—	—	—	—	(0.4)	(0.03)
As adjusted earnings	\$ 11.2	\$ 0.90	\$ 10.5	\$ 0.85	\$ 47.5	\$ 3.84	\$ 44.7	\$ 3.66

PARKOHIO AND SUBSIDIARIES
SUPPLEMENTAL NON-GAAP FINANCIAL MEASURES (UNAUDITED)

EBITDA, as defined reflects net income attributable to ParkOhio common shareholders before interest expense, income taxes, and excludes depreciation, amortization, certain non-cash charges and corporate-level expenses as defined in the Company's Revolving Credit Agreement. EBITDA is not a measure of performance under GAAP and should not be considered in isolation or as a substitute for net income, cash flows from operating, investing and financing activities and other income or cash flow statement data prepared in accordance with GAAP or as a measure of profitability or liquidity. The Company presents EBITDA because management uses EBITDA to assess the Company's performance and believes that EBITDA is useful to investors as an indication of the Company's satisfaction of its Debt Service Ratio covenant in its Revolving Credit Agreement. Additionally, EBITDA is a measure used under the Company's revolving credit facility to determine whether the Company may incur additional debt under such facility. EBITDA, as defined herein may not be comparable to other similarly titled measures of other companies. The following table reconciles net income attributable to ParkOhio common shareholders to EBITDA, as defined:

	Three Months Ended December 31,		Year Ended December 31,	
	2014	2013	2014	2013
	(In millions)			
Net income attributable to ParkOhio common shareholders	\$ 10.7	\$ 8.9	\$ 45.6	\$ 43.4
Add back:				
Interest expense	6.7	6.5	26.1	25.9
Income tax expense	5.3	3.5	24.9	20.4
Depreciation and amortization	6.9	5.7	23.2	19.2
Acquisition-related costs in cost of sales	0.1	1.6	0.3	1.6
Acquisition related costs in selling, general and administrative costs	0.2	0.6	1.1	0.6
Currency exchange losses related to non-permanent intercompany loans	0.3	(0.4)	1.0	(0.4)
Share-based compensation	1.6	1.1	5.8	4.7
Deferred tax impact net in acquisition gain	—	—	—	0.4
Miscellaneous	(0.1)	(0.5)	0.3	—
EBITDA, as defined	<u>\$ 31.7</u>	<u>\$ 27.0</u>	<u>\$ 128.3</u>	<u>\$ 115.8</u>

PARKOHIO AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	Year Ended December 31,	
	2014	2013
	(In millions)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 58.0	\$ 55.2
Accounts receivable, net	208.0	165.7
Inventories, net	238.4	221.4
Deferred tax assets	28.9	25.2
Unbilled contract revenue	26.8	8.7
Prepaid and other current assets	22.1	20.1
Total current assets	582.2	496.3
Net property, plant and equipment	141.1	115.4
Goodwill	89.5	60.4
Intangible assets, net	88.1	66.2
Other long-term assets	73.3	80.4
Total assets	\$ 974.2	\$ 818.7
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Trade accounts payable	\$ 160.3	\$ 112.0
Accrued expenses and other	103.6	86.0
Total current liabilities	263.9	198.0
Long-term liabilities, less current portion:		
Debt	434.4	379.2
Deferred tax liabilities	43.9	45.3
Other postretirement benefits and other long-term liabilities	40.1	32.2
Total long-term liabilities	518.4	456.7
Park-Ohio Holdings Corp. and Subsidiaries shareholders' equity	185.6	159.0
Noncontrolling interest	6.3	5.0
Total equity	191.9	164.0
Total liabilities and shareholders' equity	\$ 974.2	\$ 818.7

PARKOHIO AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	Year Ended December 31,	
	2014	2013
	(In millions)	
OPERATING ACTIVITIES		
Net income	\$ 46.9	\$ 43.9
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	23.2	19.2
Share-based compensation	5.8	4.7
Gain on sale of business and assets	(1.9)	(6.0)
Gain on acquisition of business	—	(0.6)
Deferred income taxes	0.5	(2.3)
Other	1.0	—
Changes in operating assets and liabilities, excluding business acquisitions:		
Accounts receivable	(27.9)	8.5
Inventories and other current assets	(23.3)	(4.9)
Accounts payable and accrued expenses	27.9	(7.5)
Other	1.4	5.3
Net cash provided by operating activities	53.6	60.3
INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(25.8)	(30.1)
Proceeds from sale and leaseback transactions	—	7.4
Proceeds from sale of assets	2.1	14.2
Business acquisitions, net of cash acquired	(72.7)	(45.8)
Net cash used by investing activities	(96.4)	(54.3)
FINANCING ACTIVITIES		
Proceeds from term loans and other debt	14.2	—
Payments on term loans and other debt	(6.6)	(4.2)
Proceeds from revolving credit facility, net	50.3	9.1
Other	(1.3)	0.8
Purchase of treasury stock	(4.4)	(2.2)
Dividend	(4.7)	—
Income tax effect of share-based compensation exercises and vesting	1.1	0.4
Net cash provided by financing activities	48.6	3.9
Effect of exchange rate changes on cash	(3.0)	0.9
Increase in cash and cash equivalents	2.8	10.8
Cash and cash equivalents at beginning of period	55.2	44.4
Cash and cash equivalents at end of period	\$ 58.0	\$ 55.2
Income taxes paid	\$ 25.8	\$ 25.0
Interest paid	\$ 24.0	\$ 24.8

PARKOHIO AND SUBSIDIARIES
BUSINESS SEGMENT INFORMATION (UNAUDITED)

	Three Months Ended December 31,		Year Ended December 31,	
	2014	2013	2014	2013
(In millions)				
NET SALES:				
Supply Technologies	\$ 139.4	\$ 122.7	\$ 559.6	\$ 471.9
Assembly Components	138.8	108.9	490.5	412.8
Engineered Products	94.8	77.8	328.6	318.5
	<u>\$ 373.0</u>	<u>\$ 309.4</u>	<u>\$ 1,378.7</u>	<u>\$ 1,203.2</u>
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES				
Supply Technologies	\$ 9.8	\$ 7.3	\$ 42.5	\$ 35.0
Assembly Components	10.7	6.6	42.0	31.8
Engineered Products	9.9	11.7	42.7	47.1
Total segment operating income	<u>30.4</u>	<u>25.6</u>	<u>127.2</u>	<u>113.9</u>
Corporate costs	(7.2)	(6.3)	(29.3)	(23.1)
Litigation judgment and settlement costs	—	—	—	(5.2)
Gain on acquisition of business	—	—	—	0.6
Interest expense	(6.7)	(6.5)	(26.1)	(25.9)
Income from continuing operations before income taxes	<u>\$ 16.5</u>	<u>\$ 12.8</u>	<u>\$ 71.8</u>	<u>\$ 60.3</u>

PARKOHIO AND SUBSIDIARIES
SUPPLEMENTAL NON-GAAP FINANCIAL MEASURES (UNAUDITED)

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	Year Ended December 31,			
	2015 Forecast		2014 Actuals	
	Earnings	Diluted EPS	Earnings	Diluted EPS
	(In millions, except for earnings per share (EPS))			
Net income from continuing operations	\$54.2 to \$59.2	\$4.37 to \$4.77	\$ 46.9	\$ 3.79
Net income attributable to noncontrolling interest	(0.9)	(0.07)	(1.3)	(0.11)
Earnings from continuing operations attributable to ParkOhio common shareholders	53.3 to 58.3	4.30 to 4.70	45.6	3.68
Add back:				
Acquisition-related costs in cost of sales, net of tax benefit	—	—	0.2	0.02
Acquisition-related costs in SG&A expenses, net of tax benefit	0.2	0.02	0.9	0.07
Currency exchange losses related to non-permanent intercompany loans in SG&A expenses, net of tax benefit	—	—	0.8	0.07
As adjusted earnings	\$53.5 to \$58.5	\$4.32 to \$4.72	\$ 47.5	\$ 3.84