GENERAL CABLE CORP /DE/
Form 10-K
March 01, 2013
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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K
(Mark One)

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

For the fiscal year ended December 31, 2012
OR

o	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: 1-12983
GENERAL CABLE CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	06-1398235
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
4 Tesseneer Drive	41076-9753
Highland Heights, KY	(Zip Code)
(Address of principal executive offices)	

Registrant's telephone number, including area code: (859) 572-8000
Securities Registered Pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, $.01 Par Value	New York Stock Exchange

Securities Registered Pursuant to Section 12(g) of the Act: None
Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes o No þ
Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes o No þ
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 þ No o
Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, 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 þ No o
Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation of S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. þ
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 company" in Rule 12b-2 of the Exchange Act.
Large accelerated filer þ Accelerated filer o Non-accelerated filer o

Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes o No þ

The aggregate market value of the registrant's Common Stock held by non-affiliates of the registrant was $1,266.7 million at June 29, 2012 (based upon non-affiliate holdings of 48,832,503 shares and a market price of $25.94 per share).

As of February 22, 2013 there were 49,706,370 shares of the registrant's Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE:

Portions of the definitive Proxy Statement for the registrant's Annual Meeting of Shareholders to be filed with the Securities and Exchange Commission within 120 days after December 31, 2012 have been incorporated by reference into Part III of this Annual Report on Form 10-K.

GENERAL CABLE CORPORATION AND SUBSIDIARIES
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PART I.

ITEM 1. BUSINESS

General Cable Corporation ("the Company") is a global leader in the development, design, manufacture, marketing and distribution of copper, aluminum and fiber optic wire and cable products for use in the energy, industrial, construction, specialty and communications markets. The Company additionally engages in the design, integration, and installation on a turn-key basis for products such as high and extra-high voltage terrestrial and submarine systems.

The Company strives to enhance shareholder value in multiple ways, including:

- Utilizing the Company's assets, financial strength and flexibility, distribution system, global and product diversity, brands, and the talents and strong commitment of employees to build profitability through excellence in the Company's primary business, wire and cable manufacturing and distribution;
- Managing the Company's product portfolio by pursuing market share in fast growing and value added product lines as well as strategic investments in attractive long term growth opportunities;
- Focusing on continuous improvement and operating efficiency through the execution of Lean Six Sigma (“Lean”) strategies and technical expertise to maintain the Company's position as a low cost provider;
- Expanding operations through organic growth and acquisitions with continued focus in emerging economies;
- Leveraging our diversity and intellectual property through the sharing of best practices across the global organization; and
- Maintaining high operational standards through sustainability, safety, and innovation.

By operating under these guiding principles, the Company has been able to build a strong market position in each of the segments in which it competes. The Company's key performance indicators are considered to be volume, as measured in metal pounds sold, operating income, net income, earnings per share, operating cash flows, returns on capital employed and invested capital and working capital efficiency.

The Company is a Delaware corporation and was incorporated in 1994. The Company and its predecessors have served various wire and cable markets for over 150 years. The Company's immediate predecessor was a unit of American Premier Underwriters, Inc. (“American Premier”), previously known as The Penn Central Corporation. American Premier acquired the Company's existing wire and cable business in 1981. In 1994, a subsidiary of Wassall PLC acquired the predecessor by purchase of General Cable's outstanding subordinated promissory note, the General Cable common stock held by American Premier and a tender offer for the publicly-held General Cable common stock. In 1997, Wassall consummated public offerings for the sale of all of its interest in General Cable's common stock. The Company has operated as an independent public company since completion of the offerings and its common stock is traded on the New York Stock Exchange under the ticker symbol, BGC.

For purposes of this report, unless the context otherwise requires, all references herein to the “Company,” “General Cable,” “we,” “us,” and “our” shall refer to General Cable Corporation.

Business Segments

The Company's operating structure is the basis for our financial reporting. The Company's three segments include North America, Europe and Mediterranean, and Rest of World ("ROW"). Additional financial information regarding the segments appears in Note 17 - Segment Information.

North America

The North America segment engages in the development, design, manufacture, marketing and distribution of copper, aluminum and fiber optic wire and cable products for the energy, industrial, construction, specialty and communications markets principally for use in the electric utility, electrical infrastructure, construction, and communications industries, as well as manufacture and distribution of rod mill wire and cable products primarily in the United States and Canada. The North America segment contributed approximately 39%, 36% and 37% of the Company’s consolidated revenues for 2012, 2011 and 2010, respectively.

The North America segment consists of 25 manufacturing facilities across the region. Additionally, the North America segment has regional centers of excellence and state-of-the-art laboratories for technical expertise and innovation in material technology and compounding, electrical testing, data cables, and specialty and military cables.

Europe and Mediterranean

The Europe and Mediterranean segment engages in the development, design, manufacture, marketing and distribution of copper, aluminum and fiber optic wire and cable products for the energy, industrial, construction, specialty and communications markets principally for use in the electric utility, electrical infrastructure, construction, and communications industries with operations in Algeria, Angola, Egypt, France, Germany, Norway, Portugal and Spain, and selling into markets throughout Europe, the Mediterranean and Africa. Additionally, the Europe and Mediterranean segment engages in the design, integration, and installation

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on a turnkey basis for products such as high and extra-high voltage terrestrial and submarine systems around the world. The Europe and Mediterranean segment contributed approximately 28%, 30% and 31% of the Company's consolidated revenues for 2012, 2011, and 2010, respectively.

This segment has expanded in recent years due to several key acquisitions. These acquisitions have broadened the Company's customer base and the product offering to expand its presence in the European and Mediterranean markets, which had previously been concentrated in the Iberian Peninsula. These acquisitions include the purchase of a majority ownership of BICC Egypt S.A.E. ("Egypt") in October 2010, Enica Biskra ("Algeria") in 2008, Norddeutsche Seekabelwerke GmbH & Co. ("NSW") in 2007 and Silec Cable, S.A.S. ("Silec") in 2005. These acquisitions demonstrate the Company's strategic initiative to expand its global geographic footprint and broaden its product diversity.

The Europe and Mediterranean segment consists of 10 manufacturing facilities across the region. Additionally, the Europe and Mediterranean segment has regional centers of excellence and state-of-the-art laboratories for high and extra-high voltage power cables and systems, submarine power and communications systems, and halogen-free flame retardant technology and compounding.

Rest of World (ROW)

The ROW segment engages in the development, design, manufacture, marketing and distribution of copper, aluminum and fiber optic wire and cable products for use in the energy, industrial, construction, specialty and communications markets as well as manufacture and distribution of rod mill wire and cable products. The ROW segment consists of sales, distribution and manufacturing facilities in Latin America, Sub-Saharan Africa, the Middle East and Asia Pacific that resulted from the acquisition of Phelps Dodge International Corporation ("PDIC") in October 2007 and is managed in conjunction with the Company's historical operations and recent investments in Australia, China, India, Mexico, New Zealand, the Pacific Islands, Peru and South Africa. The ROW segment contributed approximately 33%, 34% and 32% of the Company's consolidated revenues in 2012, 2011 and 2010, respectively.

The PDIC acquisition was completed as part of the Company's strategy to expand globally into developing energy and electrical infrastructure markets and brought the Company additional global trading and operating expertise. The ROW segment serves developing countries and customers in sectors that are expected to offer better growth opportunity over time than the developed world. The rod mill wire and cable operations provide a competitive advantage in these markets. Current ROW operations and equity investments are located in Australia, Brazil, Chile, China, Colombia, Costa Rica, Ecuador, El Salvador, Fiji, Honduras, India, Mexico, New Zealand, Oman, Pakistan, Panama, Peru, the Philippines, South Africa, Thailand, Venezuela and Zambia.

The ROW segment consists of 21 manufacturing facilities across the segment. Additionally, the ROW segment has regional centers of excellence and state-of-the-art laboratories for rod fabrication and drawing.

Products

The Company serves its customers through a global network of manufacturing facilities with worldwide sales representation and distribution. The Company's product portfolio includes more than 100,000 products and the Company believes it has one of the most diversified product lines in the industry to meet customers' needs. The various wire and cable product lines are sold and manufactured by all geographic segments except for rod mill products, which are limited to local and regional sales due to their geographic locations. Revenue by product line and geographic region is included in Note 17 - Segment Information. The majority of products sold by the Company's three segments include the following:

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Product Category	Principal Products	Principal Markets	Principal End-Users
Electric Utility	- low- and medium-voltage distribution cables - high- and extra-high-voltage underground transmission cables and installation - bare overhead conductors - submarine transmission and distribution cables	- electric utilities	- investor-owned utility companies - government-owned and state and local public power companies - contractors
Electrical Infrastructure	- rubber- and plastic-jacketed wire and cables - low- and medium-voltage industrial power cables - ignition wire sets - cable wire harnesses - rail and mass transit cables - shipboard cables - oil and gas cables - armored mining cables - alternative energy power generation cables	- power generating stations; solar, nuclear, wind applications - industrial applications; marine, mining, oil and gas, transit, machine builders and entertainment - military - infrastructure - automotive aftermarket - industrial power and control - medical	- industrial consumers - contractors - electrical distributors - electrical retailers - OEM (original equipment manufacturers) - DIY (do-it-yourself customers) - industrial equipment manufacturers - military customers
Communications	- high-bandwidth twisted copper and fiber optic cables - multi-conductor and multi-pair fiber and copper networking cables - outside plant telecommunications exchange cables - coaxial cables - fiber-optic submarine cable systems - low detection profile cables - turnkey submarine networks - offshore integration systems	- telecom local loop - enterprise networking and multimedia applications - industrial instrumentation control - commercial - residential - building management - entertainment - renewable energy	- telecommunications system operators - contractors - telecommunications distributors - system integrators - OEM - DIY
Construction	- construction cable - flexible cords; halogen-free, low-smoke and flame retardant cables	- residential and non-residential construction	- retail home centers - electricians - distributors - installation and engineering contractors - DIY
Rod Mill	- copper rod - aluminum rod	- wire and cable industry	- wire and cable manufacturers

Industry and Market Overview

The Company produces and sells to a variety of end markets including markets for electric utility, electrical infrastructure, communication, construction and rod mill products. The underlying growth drivers in each of these end markets are similar and dependent on healthy GDP rates and construction cycles. Additionally, the global electric utility industry is dependent on a variety of factors including electricity consumption and grid integration, housing and construction, including the urbanization of emerging economies, governmental energy and tax policy, the investment

policies of electric utilities, as well as renewable energy initiatives primarily related to offshore wind and solar power. The market for electrical infrastructure cable products has many sub-sectors and niches and is heavily influenced by the level of industrial construction spending, the level of capital equipment investment and transit, marine, and mining activity as well as renewable energy initiatives primarily related to terrestrial and offshore drilling of oil and gas. The market demand for construction products is heavily influenced by the level of residential and non-residential construction spending. The market for communication products is primarily influenced by residential and non-residential construction and fiber-to-the-home initiatives as well as the level of broadband investments. Rod mill product demand is principally driven by fundamental demand stemming from economic growth and development.

Customers

The Company has a regionally coordinated global direct sales force and in certain of its businesses operates under supply agreements of varying lengths. These agreements generally do not require a minimum level of sales and customers are not contractually obligated to buy the Company's products exclusively; however these agreements generally provide adjustments to selling prices to reflect fluctuations in the cost of raw materials and typically have one to four year terms. The primary agreements are strategic

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alliances with a number of major utility customers around the world. The Company sells direct to utilities, independent distributors, retailers, contractors, and OEMs. The Company believes that our relationships with distributors and retailers are strong.

Raw Materials

The principal raw materials used by the Company in the manufacturing of its wire and cable products are copper and aluminum. The Company's products are material intensive with copper and aluminum comprising the major cost components for cable products. At current metal prices material costs are approximately 85% of total product costs with copper and aluminum metal costs comprising approximately 55% of total product cost for the year ended December 31, 2012. The price of copper and aluminum, as traded, has historically been subject to considerable volatility and, during the past few years, global copper prices have established new average record highs.

Average daily selling price: ($ per pound)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year to Date
Copper Cathode					
2012	$3.78	$3.55	$3.53	$3.60	$3.62
2011	4.39	4.16	4.07	3.41	4.01
2010	3.28	3.19	3.30	3.93	3.43
Aluminum					
2012	1.07	0.99	0.98	1.02	1.02
2011	1.20	1.26	1.17	1.03	1.16
2010	1.04	1.02	1.01	1.13	1.05

Volatility in the price of copper and aluminum and other raw materials, as well as fuel and energy, may in turn lead to significant fluctuations in our cost of sales or revenues. A significant portion of the Company's electric utility and telecommunications business and, to a lesser extent, the Company's electrical infrastructure business has metal escalators and de-escalators included in customer contracts under a variety of price setting and recovery formulas. The remainder of the Company's business requires that volatility in the cost of metals be recovered through negotiated price changes with customers. In these instances, the ability to change the Company's selling prices may lag the movement in metal prices by a period of time as the customer price changes are implemented.

Therefore, in the short-term, during periods of escalating raw material cost inputs, to the extent the Company is able to increase prices in the market to recover the higher raw material costs, the Company will generally experience an increase in gross profit from the sale of its relatively lower value inventory as computed under the weighted average inventory costing method. If the Company is unable to increase prices with the rise in the raw material market prices due to low levels of demand or market dynamics, the Company will experience lower gross profit. Conversely, during periods of declining raw material cost inputs, to the extent the Company has to decrease prices in the market due to competitive pressure as the current cost of metals declines, the Company will generally experience downward pressure on its gross profit due to the sale of relatively higher value inventory as computed under the weighted average inventory costing method. If the Company is able to maintain price levels in an environment in which raw material prices are declining due to high levels of demand, the Company will experience higher gross profit. There is no exact future measure of the effect to the Company's profitability of the change of raw material cost inputs due to the unique set of selling variables and the high volume of transactions in any given period, each of which involves numerous individual pricing decisions. In 2012 if there was a 1% increase in copper and aluminum costs our cost of sales would have increased approximately $30 million. The impact of this would directly impact gross profit if the Company was unable to increase prices with the rise in the price of copper and aluminum. To help reduce this volatility, the Company has implemented various pricing mechanisms and hedges a portion of its metal purchases when there is a firm price commitment for a future delivery but does not engage in speculative metals trading.

The Company purchases copper and aluminum from various global sources, generally through annual supply agreements. These agreements do not contractually obligate the Company to purchase products exclusively, or to purchase minimum quantities, do not contain 'take or pay' provisions, or require the Company to purchase products for a significant period of time. Copper and aluminum raw material supply is available from many sources and supply is generally expected to remain adequate for the Company's requirements, however, unanticipated problems with the Company's copper or aluminum rod suppliers could negatively affect the Company's business. In North America, the

Company has centralized the purchasing of its copper, aluminum and other significant raw materials to capitalize on economies of scale and to facilitate the negotiation of purchase terms from suppliers. In 2012, the Company's largest supplier of copper rod accounted for approximately 90% of its North American copper purchases while the largest supplier of aluminum rod accounted for approximately 70% of its North American aluminum purchases. The Company's European and Mediterranean operations purchase copper and aluminum rod from many suppliers or brokers with each generally providing a small percentage of the total copper and aluminum rod purchased. The Company's ROW segment internally produces the majority of its copper and aluminum rod production needs and obtains cathode and ingots from various suppliers with each supplier generally providing a small percentage.

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Other raw materials utilized by the Company include nylon, polyethylene resin and compounds and plasticizers, fluoropolymer compounds, optical fiber and a variety of filling, binding and sheathing materials. The Company believes that all of these materials are available in sufficient quantities through purchases in the open market.

Patents and Trademarks

The Company believes that the success of its business depends more on the technical competence, creativity and marketing abilities of its employees rather than on any individual patent, trademark or copyright. Nonetheless, the Company has a policy of seeking patents when appropriate on inventions concerning new products and product improvements as part of its ongoing research, development and manufacturing activities. The Company owns numerous patents and trademarks globally, with pending applications for additional patents and trademarks, and maintains trade secret protection for certain confidential and proprietary information.

Although in the aggregate these patents are of considerable importance to the manufacturing and marketing of many of the Company's products, the Company does not consider any single patent to be material to its business as a whole. The Company considers PDIC related trademarks and trade names to be of material value to our business including Phelps Dodge International Corporation® and the PDIC global symbols. Other trademarks, which are considered to be generally important are General Cable®, Anaconda®, BICC®, Carol®, GenSpeed®, Helix/HiTemp®, NextGen®, Silec®, Polyrad® and the Company's triad symbol. The Company believes that products bearing these trademarks have achieved significant brand recognition within the industry.

Seasonality

The Company generally has experienced and expects to continue to experience certain seasonal trends in many products in which demand is linked with construction spending. Demand for these products during winter months in certain geographies is usually lower than demand during spring and summer months. Therefore, larger amounts of working capital are generally required during winter months in order to build inventories in anticipation of higher demand during the spring and summer months, when construction activity increases. In turn, receivables related to higher sales activity during the spring and summer months are generally collected during the fourth quarter of the year. Additionally, the Company has historically experienced changes in demand resulting from poor or unusual weather.

Competition

The markets for all of the Company's products are highly competitive and most markets include several competitors. The degree of competition varies by operating segment and product line. However, in general, the industry is mature and cost driven. Although the primary competitive factors for the Company's products vary somewhat across the different product categories, the principal factors influencing competition include, but are not limited to, price, quality, breadth of product line, inventory, delivery time, customer service, the environmental impact of the products, and the ability to meet the customer's needs.

Many of the Company's products are made to industry specifications, and are therefore functionally interchangeable with those of competitors. However, the Company believes that significant opportunities exist to differentiate all of its products on the basis of quality, consistent availability, conformance to manufacturer's specifications and customer service. The Company believes its competitive strengths include breadth of product line, brand recognition, distribution and logistics, strong customer relations, operating efficiency and commitment to quality control and continuous improvement.

Advertising Expense

Advertising expense consists of expenses relating to promoting the Company’s products, including trade shows, catalogs, and e-commerce promotions, and is charged to expense when incurred. Advertising expense was $10.7 million, $11.2 million and $12.0 million in 2012, 2011 and 2010, respectively.

Environmental Matters

The Company is subject to a variety of federal, state, local and foreign laws and regulations covering the storage, handling, emission and discharge of materials into the environment, including CERCLA, the Clean Water Act, the Clean Air Act (including the 1990 amendments) and the Resource Conservation and Recovery Act. While it is difficult to estimate future environmental liabilities accurately, the Company does not currently anticipate any material adverse effect on its consolidated results of operations, financial position or cash flows as a result of compliance with

federal, state, local or foreign environmental laws or regulations or remediation costs of the sites as discussed below in Item 3 - Legal Proceedings and Note 18 - Commitments and Contingencies.

Employees

At December 31, 2012, General Cable employed approximately 14,000 employees worldwide. Approximately 38% of our employees were covered by collective bargaining agreements, of which 55% are subject to agreements that expire within one year of December 31, 2012. The Company believes it will successfully renegotiate these contracts as they come due. Generally, labor

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agreements are negotiated on an annual or bi-annual basis. The Company believes that its relations with its employees are generally good.

Disclosure Regarding Forward-Looking Statements

Certain statements in the Annual Report on Form 10-K for the fiscal year ended December 31, 2012 (the "2012 Annual Report of Form 10-K") including, without limitation, statements regarding future financial results and performance, plans and objectives, capital expenditures, understanding of competition, projected sources of cash flow, potential legal liability, proposed legislation and regulatory action, and our management's beliefs, expectations or opinions, are forward-looking statements, and as such, we desire to take advantage of the “safe harbor” which is afforded such statements under the Private Securities Litigation Reform Act of 1995. Forward-looking statements are those that predict or describe future events or trends and that do not relate solely to historical matters.

Forward-looking statements can generally be identified as statements containing the words “believe,” “expect,” “may,” “could,” “anticipate,” “intend,” “should,” “estimate,” “project,” “will,” “plan,” “assume,” “seek to” or other similar expressions not all forward-looking statements contain these identifying words. In addition, forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those discussed in forward-looking statements as a result of factors, risks and uncertainties over many of which we have no control. These risks and uncertainties include, but are not limited to, those described in Item 1A - Risk Factors and elsewhere in this report and those described from time to time in our future reports filed with the Securities and Exchange Commission ("the SEC").

Forward looking statements reflect the views and assumptions of management as of the date of this report with respect to future events. The Company does not undertake, and hereby disclaims, any obligation, unless required to do so by applicable securities laws, to update any forward-looking statements as a result of new information, future events or other factors. The inclusion of any statement in this report does not constitute an admission by the Company or any other person that the events or circumstances described in such statement are material.

Available Information

The Company’s principal executive offices are located at 4 Tesseneer Drive, Highland Heights, Kentucky 41076-9753 and its telephone number is (859) 572-8000. The Company’s internet address is www.generalcable.com. General Cable’s annual report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, are made available free of charge at www.generalcable.com as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. In addition, the Company will provide, at no cost, paper or electronic copies of our reports and other filings made with the SEC. Requests should be directed to: Investor Relations, General Cable Corporation, 4 Tesseneer Drive, Highland Heights, KY 41076-9753.

The information on the website listed above is not and should not be considered part of this annual report on Form 10-K and is not incorporated by reference in this document. This website address is only intended to be an inactive textual reference.

The most recent certifications by our Chief Executive Officer and Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 are filed as exhibits to our 2012 Annual Report on Form 10-K. We have also filed with the New York Stock Exchange the most recent Annual CEO certification as required by Section 303A.12(a) of the New York Stock Exchange Listed Company Manual.

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Executive Officers of the Registrant

The following table sets forth certain information concerning the executive officers of General Cable as of December 31, 2012.

Name	Age	Position
Gregory B. Kenny	60	President, Chief Executive Officer and Director
Brian J. Robinson	44	Executive Vice President, Chief Financial Officer and Treasurer
Robert J. Siverd	64	Executive Vice President, General Counsel and Secretary
Peter A. Campbell	52	Executive Vice President, President and Chief Executive Officer, General Cable Asia Pacific
Gregory J. Lampert	45	Executive Vice President, President and Chief Executive Officer, General Cable Americas
Emmanuel Sabonnadiere	48	Executive Vice President, President and Chief Executive Officer, General Cable Europe and Mediterranean

Mr. Kenny has served as a member of the General Cable's Board of Directors since 1997 and as President and Chief Executive Officer since August 2001. He was President and Chief Operating Officer of General Cable from May 1999 to August 2001. From March 1997 to May 1999, he was Executive Vice President and Chief Operating Officer of General Cable. From June 1994 to March 1997, he was Executive Vice President of the subsidiary of General Cable which was General Cable's immediate predecessor. He is also a director of Cardinal Health Incorporated (NYSE: CAH) and Ingredion Incorporated (NYSE: INGR). He is also a board member of the Cincinnati Branch of the Federal Reserve Bank of Cleveland.

Mr. Robinson has served as Executive Vice President, Chief Financial Officer and Treasurer of General Cable since January 1, 2008. Prior to his current position, he served as Senior Vice President, Chief Financial Officer and Treasurer from January 2007 to December 2007, Senior Vice President, Controller and Treasurer from March 2006 to December 2006, Controller from 2000 to February 2006 and Assistant Controller from 1999 to 2000. From 1997 until 1999, Mr. Robinson served as an Audit Manager focused on accounting services for global companies for Deloitte & Touche LLP, and from 1991 to 1997, he served in roles of increasing responsibility with the Deloitte & Touche LLP office in Cincinnati, Ohio.

Mr. Siverd has served as Executive Vice President, General Counsel and Secretary of General Cable since March 1997. From July 1994 until March 1997, he was Executive Vice President, General Counsel and Secretary of the predecessor company.

Mr. Campbell has been Executive Vice President and Chief Executive Officer for General Cable Asia Pacific since December 2012. Upon joining General Cable in 2010 until his promotion, Mr. Campbell was Senior Vice President Asia, which included direct leadership of Thailand and India and interfacing with our partners in Philippines and China. Prior to joining General Cable, he held global business management, manufacturing and engineering positions of increasing responsibility with Fosroc International Limited from 2005 until 2010 and BP Chemicals Limited from 1983 until 2005.

Mr. Lampert has served as Executive Vice President, President and Chief Executive Officer for General Cable Americas since January 2013. Prior to his current position, Mr. Lampert served as Executive Vice President and Chief Executive Officer for General Cable North America from August 2008 until January 2013, Executive Vice President and Group President, North America Electrical and Communications Infrastructure from October 2007 to August 2008, Senior Vice President and General Manager - Data Communications and Carol Brand Products from August 2005 until September 2007, Vice President and General Manager - Carol Brand Products from January 2004 until July 2005. He joined General Cable in 1998 and served in a number of capacities during his tenure including product management, sales and business team leadership. Prior to joining General Cable, he held engineering and management positions with Dow Chemical Company and Cintas Corporation. He is a member of the Board of Directors of Xtek, Inc, a manufacturer of specialty goods for the steel and aluminum industries.

Mr. Sabonnadiere has served as Executive Vice President, President and Chief Executive Officer, Europe and Mediterranean since July 2010. He joined General Cable in June 2008 as Managing Director of the Silec operations in France and has also served as Chairman of the Board of Directors of our Algerian business. Prior to joining General

Cable, he served for 20 years in senior management positions in energy transmission and distribution related businesses. Mr. Sabonnadiere joined General Cable from NKM Noell Gmbh, the German branch of the Group REEL, where he served as Chief Executive Officer from 2005 to 2008. Prior to that, he served as Vice President of the Distribution Transformers Division of Alstom T&D from 2001 to 2005. Mr. Sabonnadiere also served in a number of management positions of increasing responsibility with Schneider Electric from 1990 to 2001, lastly as Managing Director of France Transfo.

ITEM 1A. RISK FACTORS

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We are subject to a number of risks listed below, which could have a material adverse effect on our financial condition, results of operations and the value of our securities.

Certain statements in the 2012 Annual Report on Form 10-K including, without limitation, statements regarding future financial results and performance, plans and objectives, capital expenditures, understanding of competition, projected sources of cash flow, potential legal liability, proposed legislation and regulatory action, and our management's beliefs, expectations or opinions, are forward-looking statements, and as such, we desire to take advantage of the “safe harbor” which is afforded such statements under the Private Securities Litigation Reform Act of 1995. Our forward-looking statements should be read in conjunction with our comments in this report under the heading, “Disclosure Regarding Forward-Looking Statements.” Actual results may differ materially from those statements as a result of factors, risks and uncertainties over which we have no control. The risk factors discussed below are all of the known material risks and uncertainties that we know to exist. However, additional risks that are currently unknown to us may also impair our business or adversely affect our financial condition or results of operations.

- Our net sales, net income and growth depend largely on the economic strength of the geographic markets that we serve, and if these markets become weaker, we could experience decreased sales and net income.

Many of our customers use our products as components in their own products or in projects undertaken for their customers. Our ability to sell our products is largely dependent on general economic conditions, including end user spending on power transmission and distribution infrastructures, industrial manufacturing assets, new construction and building, information technology and maintaining or reconfiguring their communications networks. In periods of negative or no economic growth, we would likely experience a decrease in sales and net income.

- Volatility in the price of copper and aluminum and other raw materials, as well as fuel and energy, could adversely affect our businesses.

The costs of copper and aluminum, the most significant raw materials we use, have been subject to considerable volatility caused by supply conditions, weather, political and economic variables as well as other unknown and unpredictable variables. Other raw materials such as fuel and energy have additionally been subject to considerable volatility.

The Company typically passes these changes in copper and aluminum prices along to its customers, although there are timing delays of varying lengths depending upon the volatility of metals prices, the type of product, competitive conditions, pricing mechanisms and particular customer arrangements. Although the general trends are detailed in Item 1 - Business – Raw Materials, there is no exact future measure of the effect of the change of raw material cost inputs due to the unique set of selling variables and the high volume of transactions in any given period, each of which involves numerous individual pricing decisions. To help reduce this volatility, the Company implemented pricing mechanisms and hedges a portion of its metal purchases when there is a firm price commitment for a future delivery but does not engage in speculative metals trading.

In addition, we may be required to recognize an expense to record our inventory at market value, which would negatively impact our financial results. Although we attempt to recover copper and aluminum and other raw material price changes either in the selling price of our products or through commodity hedging programs, there is no assurance that we can do so successfully or at all in the future.

- The markets for our products are highly competitive, and if we fail to successfully invest in product development, productivity improvements and customer service and support, sales of our products could be adversely affected.

The markets for copper, aluminum and fiber optic wire and cable products are highly competitive and some of our competitors may have greater financial resources than we have. We compete with at least one major competitor with respect to each of our business segments. Many of our products are made to common specifications and, therefore, may be interchangeable with competitors' products. Accordingly, we are subject to competition in many markets on the basis of price, quality, breadth of product line, inventory, delivery time, customer service, the environmental impact of the products, and the ability to meet the customer's needs.

We believe that competitors will continue to improve the design and performance of their products and to introduce new products with competitive price and performance characteristics. We expect that we will be required to continue to invest in product development, productivity improvements and customer service and support in order to compete in our markets. Furthermore, an increase in imports of competing products could adversely affect our sales on a region

by region basis.

- Our business is subject to the economic, political and other risks of maintaining facilities and selling products in foreign countries.

During the year ended December 31, 2012, approximately 61% of our sales and approximately 70% of our assets were in markets outside of North America. Our operations outside of North America generated approximately 52% of our cash flows from operations during this period. Some of our facilities, in particular, certain locations such as Algeria, Angola, Egypt, India, Pakistan, the Philippines, Thailand, and Venezuela, among others, are at higher risk of being targets of economic and political destabilization, international conflicts, restrictive actions by foreign governments, nationalizations or expropriations, changes in regulatory

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requirements, the difficulty of effectively managing diverse global operations, terrorist activities, adverse foreign tax laws and the threat posed by potential pandemics in countries that do not have the resources necessary to deal with such outbreaks. Our financial results may be adversely affected by the enactment of exchange controls or foreign governmental or regulatory restrictions on the transfer of funds. In addition, negative tax consequences relating to the repatriation of certain foreign income may adversely affect our cash flows. Over time, we intend to continue to expand our foreign operations, which would serve to exacerbate these risks and their potential effect on our business, financial position and results of operations. Economic and political developments in the countries in which we have operations, including future economic changes or crises (such as inflation, currency devaluation or recession), government deadlock, political instability, political activism, terrorist activities, civil strife, international conflicts, changes in laws and regulations and expropriation or nationalization of property or other resources, could impact our operations or the market value of our common stock and have an adverse effect on our business, financial condition and results of operations.

- In each of our markets, we face pricing pressures. Such pricing pressures could adversely affect our results of operations and financial performance.

We face pricing pressures in each of our markets as a result of significant competition or over-capacity. In order to respond to these pricing pressures, we continually work toward reducing our costs through improving our processes and productivity. In the event we are unable to implement cost reduction measures that are designed to improve our manufacturing techniques and processes, we may not achieve desired efficiency or productivity levels or reduce our manufacturing costs. In addition, productivity increases are related in part to factory utilization rates. Decreases in utilization rates may adversely impact productivity. Further pricing pressures, without offsetting cost reductions, could adversely affect our results of operations and financial performance.

- Growth through acquisition has been a significant part of our strategy and we may not be able to successfully identify, obtain or integrate acquisitions.

Growth through acquisition has been, and is expected to continue to be, a significant part of our strategy. We regularly evaluate possible acquisition candidates. There can be no assurance that we will be successful in identifying, financing and closing acquisitions at favorable prices and terms. Potential acquisitions may require us to issue additional shares of stock or obtain additional or new financing. The issuance of shares of our common or preferred stock in connection with potential acquisitions may dilute the value of shares held by our then existing equity holders. Further, there can be no assurance that we will be successful in integrating any such acquisitions that are completed. Integration of any such acquisitions may require substantial management, financial and other resources and may pose risks with respect to production, customer service and market share of our existing operations. In addition, we may acquire businesses that are subject to technological or competitive risks, and we may not be able to realize the benefits originally expected from such acquisitions.

- Alternative technologies, such as fiber optic and wireless technologies, may make some of our products less competitive.

Alternative technologies continue to have an adverse effect on elements of our business. For example, a continued increase in the rate of installations using fiber optic systems, an increase in the cost of copper-based systems, or advancing wireless technologies, as they relate to network and communications systems, may have an adverse effect on our business. While we do manufacture and sell fiber optic cables, any further acceleration in the erosion of our sales of copper cables due to increased market demand for fiber optic cables would most likely not be offset by an increase in sales of our fiber optic cables. In addition, our sales of copper premise cables currently face downward pressure from wireless and other similar technology and the increased acceptance and use of these technologies has increased this pressure and the potential negative impact on our future financial results, cash flows or financial position.

- We are substantially dependent upon distributors and retailers for non-exclusive sales of our products and they could cease purchasing our products at any time.

Distributors and retailers account for a substantial portion of our sales. These distributors and retailers are not contractually obligated to carry our product lines exclusively or for any period of time. Therefore, these distributors and retailers may purchase products that compete with our products or cease purchasing our products at any time. The

loss of one or more large distributors or retailers could have a material adverse effect on our ability to bring our products to end users and on our results of operations. Moreover, a downturn in the business of one or more large distributors or retailers could adversely affect our sales and could create significant credit exposure.

- Changes in our tax rates or exposure to new tax laws could impact our profitability.

We are subject to income tax in the United States and in various other global jurisdictions. Our effective tax rates could be adversely affected by changes in the mix of earnings by jurisdiction and the valuation of deferred tax assets and liabilities. Our effective tax rate could also be adversely affected by changes in tax laws. For example, certain versions of recent US tax reform proposals could, if enacted, significantly impact the taxation of US based multinationals and could have a material impact on our tax expense and cash flows. In addition, we are subject to audits in various jurisdictions. Although we believe that our tax estimates are reasonable and appropriate, there are significant uncertainties in these estimates and as a result of these estimates there could be material adjustments. As a result of ongoing or possible future tax audits, we may be required to pay additional taxes and/or

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penalties as a result of such tax audits, which could have a potential negative impact on our future financial results, cash flows and financial position.

- Changes in industry standards and regulatory requirements may adversely affect our business.

Our global business is subject to the requirements of federal, state, local and foreign regulatory authorities as well as industry standard-setting authorities. Changes in the standards and requirements imposed by such authorities could have an adverse effect on us. In the event that we are unable to meet any such new or modified standards when adopted, our business could be adversely affected.

In addition, changes in the legislative environment could affect the growth and other aspects of important markets served by us. The wire and cable industry growth has been partially driven by energy related legislation, including alternative and renewable energy sources, investment incentives for utilities and government infrastructure spending. Although we believe legislative efforts overall have a positive impact on our business and financial results, we cannot be certain that this impact will continue. Further, we cannot predict the impact, either positive or negative, that changes in laws or industry standards may have on our future financial results, cash flows or financial position.

- Failure to properly execute large customer projects may negatively impact our ability to obtain similar contracts in the future and may result in substantial financial penalties.

In recent years, primarily in Europe, we have been awarded several large turn-key projects for specific customers. These projects involve numerous challenges associated with large long-term contracts and the contracts related to these projects generally include substantial financial penalties for non-performance on our part. These projects are milestones for us as we work to increase our market share through successful execution of contracts for medium-voltage infield array projects and high-voltage export projects as well as underground terrestrial high-voltage projects. In addition, the terrestrial and submarine transmission cable markets in Europe, which are being driven by large investments in grid interconnections and alternative energy such as offshore wind power, represent an attractive long-term opportunity for us. The success of our execution of large turn-key projects is important to our long-term success in this market.

- Interruptions of supplies from key suppliers may affect our results of operations and financial performance.

Interruptions of supplies from our key suppliers, including results from catastrophes such as hurricanes, earthquakes, floods or terrorist activities, could disrupt production or impact our ability to increase or maintain production and sales. All copper and aluminum rod used in our North American operations is externally sourced, and our largest supplier of copper rod accounted for approximately 90% of our North American purchases in 2012 while our largest supplier of aluminum rod accounted for approximately 70% of our North American purchases in 2012. Our European operations purchase copper and aluminum rod from many suppliers with each supplier generally providing a small percentage of the total copper and aluminum rod purchased while operations in ROW internally produce the majority of copper and aluminum rod for production needs and obtain cathode and ingots from various sources with each supplier generally providing a small percentage of the total amount of raw materials purchased. Any unanticipated problems with our copper or aluminum rod suppliers could have a material adverse effect on our business.

Additionally, we use a limited number of sources for most of the other raw materials that we do not produce. We do not have long-term or volume purchase agreements with most of our suppliers, and may have limited options in the short-term for alternative supply if these suppliers fail to continue the supply of material or components for any reason, including their business failure, inability to obtain raw materials or financial difficulties. Moreover, identifying and accessing alternative sources may increase our costs.

- We source and sell products globally and are exposed to fluctuations in foreign currency exchange rates.

We manufacture and sell products and finance operations throughout the world and are exposed to the impact of foreign currency fluctuations on our results of operations. Also, our consolidated financial results are presented in U.S. dollars; therefore, a change in the value of currencies may adversely impact our net financial statements after currency remeasurements and translation to U.S. dollars. In addition, devaluations of currencies, such as the devaluation of the Venezuelan Bolivar in 2013, could negatively affect the value of our earnings from, and the assets located, in those markets. Although we hedge certain foreign currency transactions, there is still risk associated with changes in foreign currency exchange rates. See Note 23 - Subsequent Events for further discussion regarding the devaluation of the Venezuelan Bolivar.

- Compliance with foreign and U.S. laws and regulations applicable to our international operations, including the Foreign Corrupt Practices Act ("FCPA") and other applicable anti-corruption laws, may increase the cost of doing business in international jurisdictions.

Various laws and regulations associated with our current international operations are complex and increase our cost of doing business. Furthermore, these laws and regulations expose us to fines and penalties if we fail to comply with them. These laws and regulations include import and export requirements, U.S. laws such as the FCPA, and local laws prohibiting payments to governmental officials and other corrupt practices. Although we have implemented policies and procedures designed to ensure

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compliance with these laws, there can be no assurance that our employees, contractors and agents will not take actions in violation of our policies, particularly as we expand our operations through organic growth and acquisitions. Any such violations could subject us to civil or criminal penalties, including substantial fines or prohibitions on our ability to offer our wire and cable products in one or more countries, and could also materially damage our reputation, brand, international expansion efforts, business and operating results. In addition, if we fail to address the challenges and risks associated with our international expansion and acquisition strategy, we may encounter difficulties implementing our strategy, which could impede our growth or harm our operating results.

- Failure to negotiate extensions of our labor agreements as they expire may result in a disruption of our operations.

As of December 31, 2012, approximately 38% of our employees were represented by various labor unions.

We are party to labor agreements with unions that represent employees at many of our manufacturing facilities. Labor agreements are generally negotiated on an annual or bi-annual basis and the risk exists that we may not be able to renew labor agreements on reasonably satisfactory terms or at all. We cannot predict what issues may be raised by the collective bargaining units representing our employees and, if raised, whether negotiations concerning such issues will be successfully concluded. A protracted work stoppage could result in a disruption of our operations which could, in turn, adversely affect our financial results, customer satisfaction, and our ability to deliver certain products.

- If either our uncommitted accounts payable confirming arrangements or our accounts receivable financing arrangements for our European operations is canceled, our liquidity may be negatively impacted.

Our European operations participate in accounts payable confirming arrangements with several European financial institutions. We negotiate payment terms with suppliers of generally 180 days in Europe and submit invoices to the financial institutions with instructions for the financial institutions to transfer funds from our European operations' accounts on the due date (on day 180) for the trade payables due. At December 31, 2012, the arrangements had a maximum availability limit of the equivalent of approximately $446.9 million, of which approximately $317.6 million was drawn. Should the availability under these arrangements be reduced or terminated, we may be required to seek alternative arrangements. We also have approximately $46.8 million available under uncommitted, Euro-denominated facilities in Europe, which allow us to sell at a discount, with no or limited recourse, a portion of our accounts receivable to financial institutions. As of December 31, 2012, we have drawn $4.0 million from these accounts receivable facilities. We do not have firm commitments from these institutions to purchase our accounts receivable. There can be no assurance that alternate arrangements will be available on favorable terms or at all. Failure to obtain alternative arrangements in such case would negatively impact our liquidity.

- The Company is exposed to counterparty risk in our hedging arrangements.

The Company is exposed to counterparty risk in our hedging arrangements. The failure of one or more counterparties to our hedging arrangements to fulfill or renew their obligations to us could adversely affect our results of operations. At times, depending on the extent of any unrealized loss position(s) on a derivative contract(s), certain counterparties may require us to post collateral to secure our derivative contract positions.

- As a result of market and industry conditions or in the event we close any of our manufacturing facilities, we may be required to recognize impairment charges for our long-lived assets, including goodwill.

As of December 31, 2012, property, plant and equipment, goodwill and other intangible assets account for approximately $1,587.3 million, or 32% of our total assets. In accordance with generally accepted accounting principles, we periodically assess our long-lived assets to determine if they are impaired. The testing for impairment is based on assumptions regarding our future business outlook as well as other factors. While we continue to review and analyze many factors that can impact our business, such as industry and economic trends, our analyses are subjective and are based on conditions existing at and trends leading up to the time the assumptions are made. Actual results could differ materially from these assumptions particularly in the event of disruptions to our business, unexpected significant changes or planned changes in the use of assets or divestitures or expropriations of assets. Future impairment charges could significantly affect our results of operations in the period recognized.

- Declining returns in the investment portfolio of our defined benefit pension plans and changes in actuarial assumptions could increase the volatility in our pension expense and require us to increase cash contributions to the plans.

We sponsor defined benefit pension plans around the world. Pension expense for the defined benefit pension plans sponsored by us is determined based upon a number of actuarial assumptions, including an expected long-term rate of return on assets and discount rate. The use of these assumptions makes our pension expense and our cash contributions subject to year-to-year volatility. As of December 31, 2012, 2011 and 2010, the defined benefit pension plans were underfunded by approximately $163.7 million, $114.7 million and $99.6 million, respectively, based on the actuarial methods and assumptions utilized for purposes of the applicable accounting rules and interpretations. We have experienced volatility in our pension expense and our cash contributions to our defined benefit pension plans. In 2012, pension expense was $20.1 million, an increase of approximately $7.6 million from 2011, and cash contributions were $8.5 million, a decrease of approximately $15.9 million from 2011. We estimate our 2013 pension expense for our defined benefit plans will increase to approximately $21.5 million. In the event that actual results differ

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from the actuarial assumptions or the actuarial assumptions are changed, the funded status of our defined benefit pension plans may change and any such deficiency could result in additional charges to equity and an increase in our future pension expense and cash contributions.

- Environmental liabilities could potentially adversely impact us and our affiliates.

We are subject to federal, state, local and foreign environmental protection laws and regulations governing our operations and the use, handling, disposal and remediation of hazardous substances currently or formerly used by us and our affiliates. A risk of environmental liability is inherent in our and our affiliates' current and former manufacturing activities in the event of a release or discharge of a hazardous substance generated by us or our affiliates. Under certain environmental laws, we could be held jointly and severally responsible for the remediation of any hazardous substance contamination at our current and former facilities and at third party waste disposal sites. We could also be held liable for any consequences arising out of human exposure to such substances or other environmental damage. We and our affiliates have been named as potentially responsible parties in proceedings that involve environmental remediation. There can be no assurance that the costs of complying with environmental, health and safety laws and requirements in our current operations or the liabilities arising from past releases of, or exposure to, hazardous substances, will not result in future expenditures by us that could materially and adversely affect our financial results, cash flows or financial condition.

- We are subject to certain asbestos litigation and unexpected judgments or settlements that could have a material adverse effect on our financial results.

Our subsidiaries have been named as defendants in non-maritime asbestos cases which involve plaintiffs alleging exposure to asbestos-containing cable manufactured by our predecessors. Our subsidiaries have also been named, along with numerous other product manufacturers, as defendants in cases in which plaintiffs alleged that they suffered an asbestos related injury while working in the maritime industry. Refer to Item 3 - Legal Proceedings - of this document for a summary of our outstanding asbestos related litigation. There can be no assurance that any judgments or settlements of the pending asbestos cases or any cases which may be filed in the future will not have a material adverse effect on our financial results, cash flows or financial position.

- Pending antitrust and competition law investigations relating to the cable industry could negatively impact our Company.

The U.S. Department of Justice (“DOJ”) and the European Commission have been conducting antitrust and competition law investigations relating to the cable industry, which we believe relate primarily to the submarine and underground high-voltage power cables businesses. We were not engaged in the submarine power cable business prior to 2009. We only recently entered the submarine power cable business in March 2009 through our German affiliate, Norddeutsche Seekabelwerke GmbH & Co., which we acquired in 2007 and subsequently invested in so that we could enter the market. We have received requests for information from both the DOJ and the European Commission and provided documents and responses to inquiries in connection with their investigations. We may receive further requests for information from the DOJ.

No wrongdoing by us or any of our subsidiaries has been alleged by the DOJ nor have we been named in any other cases or proceedings which have been brought by competition authorities in various countries against wire and cable companies in the submarine and underground power cables businesses. If any claims were to be made, defending them could involve us in lengthy proceedings.

On July 5, 2011, the European Commission issued a Statement of Objections in relation to its ongoing competition investigation alleging that two General Cable affiliates in Europe engaged in violations of competition law in the underground power cables businesses for a limited period of time. The Company responded to the Statement of Objections on October 28, 2011 and continues to defend itself against the allegations. The defense of the Company in response to the European Commission's Statement of Objections could involve us in lengthy proceedings.

If we or our subsidiaries were found to have violated antitrust or competition regulations at any time, we or our subsidiaries could be subject to fines and claims for damages, which could be substantial and materially impact our consolidated financial results.

- If we fail to attract and retain our key employees, our business may be harmed.

Our success has been largely dependent on the skills, experience and efforts of our key employees and the loss of the services of any of our executive officers or other key employees, without a properly executed transition plan, could have an adverse affect on us. The loss of our key employees who have intimate knowledge of our manufacturing process could lead to increased competition to the extent that those employees are hired by a competitor and are able to recreate our manufacturing process. Our future success will also depend in part upon our continuing ability to attract and retain highly qualified personnel, who are in great demand.

- Our indebtedness and our ability to pay could adversely affect our business and financial condition.

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We have a significant amount of debt and may incur additional debt in the future. If new debt is added to our current debt levels, the risks described herein would intensify. Refer to Note 9 - Long-Term Debt of this document for details on the various debt agreements.

The degree to which we are leveraged could have adverse consequences to us, limiting management's choices in responding to business, economic, regulatory and other competitive conditions. In addition, our ability to generate cash flow from operations sufficient to make scheduled payments on our debts as they become due will depend on our future performance, our ability to successfully execute our business strategy and our ability to obtain other financing, which may be influenced by economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. Our substantial indebtedness may affect our ability to pay principal and interest on outstanding indebtedness, increase our vulnerability to adverse economic and industry conditions, limit future capital expenditures and research and development, limit our ability to fund working capital needs and general corporate requirements, decrease our flexibility to react to changes in our business and industry, and place us at a competitive disadvantage to our competitors with less debt.

Our ability to make payments on our indebtedness, to refinance our indebtedness and fund planned capital expenditures will depend on our ability to generate cash in the future. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. There can be no assurance that our business will generate sufficient cash flows from operations or that future borrowings will be available to us under our credit facilities in an amount sufficient to enable us to make payments with respect to our indebtedness or to fund our other liquidity needs. If this were the case, we might need to refinance all or a portion of our indebtedness on or before maturity, sell assets, reduce or delay capital expenditures or seek additional equity financing. There can be no assurance that we will be able to refinance any of our indebtedness on commercially reasonable terms or at all.

- Failure to comply with covenants and other provisions in our existing or future financing agreements could result in cross-defaults under some of our financing agreements, which could jeopardize our ability to satisfy our obligations.

Various risks, uncertainties and events beyond our control could affect our ability or the ability of our subsidiaries to comply with the covenants, financial tests and ratios required by the instruments governing our and their financing arrangements, including, without limitation, the requirement that no final judgment or judgments of a court of competent jurisdiction have been rendered against us or our subsidiaries in excess of stated amounts. Failure to comply with any of the covenants in our existing or future financing agreements could result in a default under those agreements as well as other agreements containing cross-default provisions. A default would permit lenders to cease to make further extensions of credit, accelerate the maturity of the debt under these agreements and foreclose upon any collateral securing that debt as well as restrict our ability to make certain investments and payments, pay dividends, purchase company stock, enter into transactions with affiliates, make acquisitions, merge and consolidate, or transfer or sell assets. Under these circumstances, we might not have sufficient funds or other resources to satisfy all of our obligations.

Our ability and the ability of our subsidiaries to comply with these covenants is subject to various risks and uncertainties. In addition, events beyond our control could affect our ability to comply with and maintain the financial tests and ratios required by this indebtedness. Even if we or our subsidiaries, as applicable, are able to comply with all applicable covenants, the restrictions on our ability to operate our business in our sole discretion could harm our business by, among other things, limiting our ability to take advantage of financing, mergers, acquisitions and other opportunities.

Certain portions of our debt contain prepayment or acceleration rights at the election of the holders upon a covenant default, change in control or fundamental change, which, if exercised, could constitute an event of default under other portions of our debt. It is possible that we would be unable to fulfill all of these obligations simultaneously, which could adversely affect our financial position.

- If we fail to meet our payment or other obligations under our secured indebtedness, the lenders under this indebtedness could foreclose on, and acquire control of, substantially all of our assets.

Indebtedness under our senior secured credit facility is secured by: (a) for US borrowings under the facility, a first priority security interest in substantially all of our domestic assets and, (b) for Canadian borrowings, a first priority

security interest in substantially all of our domestic and Canadian assets. In addition, the lenders under our senior secured credit facility have received a pledge of (i) 100% of the equity interests in substantially all of our domestic subsidiaries, and (ii) 65% of the voting equity interests in and 100% of the non-voting equity interests in certain of our foreign subsidiaries, including our Canadian subsidiaries. We also have incurred secured debt in connection with some of our European operations. The lenders under these European secured credit facilities also have liens on assets of certain of our European subsidiaries. As a result of these pledges and liens, if we fail to meet our payment or other obligations under any of our secured indebtedness, the lenders under the applicable credit agreement would be entitled to foreclose on certain of our assets and liquidate these assets. Under those circumstances, we may not have sufficient funds to pay our obligations, which could adversely affect our financial position.

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- Our ability to pay principal and interest on outstanding indebtedness depends upon our receipt of dividends or other intercompany transfers from our subsidiaries.

We are a holding company and substantially all of our properties and assets are owned by, and all our operations are conducted through, our subsidiaries. As a result, we are dependent upon cash dividends and distributions or other transfers from our subsidiaries to meet our debt service obligations, including payment of the interest on and principal of our indebtedness when due, and other obligations. The ability of our subsidiaries to pay dividends and make other payments to us may be restricted by, among other things, applicable corporate, tax and other laws and regulations in the United States and abroad and agreements made by us and our subsidiaries, including under the terms of our existing and potentially future indebtedness.

In addition, claims of creditors, including trade creditors, of our subsidiaries will generally have priority with respect to the assets and earnings of such subsidiaries over the claims of our creditors, except to the extent the claims of our creditors are guaranteed by these subsidiaries. Certain of our indebtedness may be guaranteed by only some of our subsidiaries. In the event of our dissolution, bankruptcy, liquidation or reorganization, the holders of such indebtedness will not receive any amounts from our non-guarantor subsidiaries with respect to such indebtedness until after the payment in full of the claims of the creditors of those subsidiaries.

- A downgrade in our financial strength or credit ratings could limit our ability to conduct our business or offer and sell additional debt securities.

Nationally recognized rating agencies currently rate our debt. Ratings are not recommendations to buy or sell our securities. We may, in the future, incur indebtedness with interest rates that may be affected by changes in or other actions associated with our credit ratings. Each of the rating agencies reviews its ratings periodically and previous ratings for our debt may not be maintained in the future. Rating agencies may also place us under review for potential downgrade in certain circumstances or if we seek to take certain actions. A downgrade of our debt ratings or other negative action, such as a review for a potential downgrade, could affect the market price of our existing 0.875% Senior Convertible Notes, Subordinated Convertible Notes, Senior Floating Rate Notes or our 5.75% Senior Notes. Furthermore, these events may negatively affect our ability to raise additional debt with terms and conditions similar to our current debt, and accordingly, likely increase our cost of capital. In addition, a downgrade of these ratings, or other negative action, could make it more difficult for us to raise capital to refinance any maturing debt obligations to support business growth and to maintain or improve the current financial strength of our business and operations.

- The trading price of our common stock may be adversely affected by many factors, not all of which are within our control, as well as by future issuances of our common stock or additional series of preferred stock.

The trading price of our common stock has been and may in the future be volatile. Our stock price could be subject to wide fluctuations in response to a variety of factors, including quarterly variations in our operating results or our competitors' operating results, announcements of new products or services by us or our competitors, adverse or unfavorable publicity about us or our services, or our competitors, timing and announcement of acquisitions by us or our competitors, technological innovations by us or our competitors, changes in our earnings estimates or our competitors, financial strength or credit ratings of us or our competitors, changes in estimates or recommendations by security analysts for our stock or our competitors' stock, commencement of material litigation or unfavorable verdicts against us, and additions or departures of key personnel.

In addition, our trading price may be adversely affected by future issuances of our common stock. Our amended and restated certificate of incorporation provides that we have authority to issue 200 million shares of common stock. As of December 31, 2012, there were approximately 49.7 million shares of common stock outstanding (net of treasury shares), approximately 1.0 million shares of common stock are issuable upon the exercise of currently outstanding stock options and approximately 0.4 million shares of common stock are issuable upon conversion of our outstanding Series A preferred stock. In addition, a maximum of approximately 14.3 million shares of our common stock could be issuable upon conversion of our Subordinated Convertible Notes. Similarly, a maximum of approximately 9.0 million shares of common stock could be issuable upon conversion of our 0.875% Senior Convertible Notes and approximately 7.0 million shares of common stock could be issuable due to the issuance of warrants we issued in connection with the offering of our 0.875% Senior Convertible Notes. All of the shares of our common stock that

could be issued pursuant to the conversion of our 0.875% Senior Convertible Notes and Subordinated Convertible Notes by holders who are not our affiliates would be freely tradable by such holders.

The warrants we issued in connection with the offering of our 0.875% Senior Convertible Notes are expected to provide us with some protection against increases in our stock price over the conversion price per share. The counterparties to these transactions, or their affiliates, may enter into various over-the-counter derivative transactions or purchase or sell our common stock in secondary market transactions and may enter into, or may unwind, various over-the-counter derivatives or purchase or sell our common stock in secondary market transactions. These activities may have the effect of increasing or preventing a decline in, or may otherwise adversely impact, the trading price of our common stock.

Our trading price also may be adversely affected by future issuances of additional series of preferred stock. Our Board of Directors is authorized to issue additional series of preferred stock without any action on the part of our stockholders. Our Board of Directors

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also has the power, without stockholder approval, to set the terms of any such series of preferred stock that may be issued, including voting rights, conversion rights, dividend rights, preferences over our common stock with respect to dividends or if we liquidate, dissolve or wind up our business and other terms. If we issue preferred stock in the future that has preference over our common stock with respect to the payment of dividends or upon our liquidation, dissolution or winding-up, or if we issue preferred stock with voting rights that dilute the voting power of our common stock, the market price of our common stock could be adversely affected.

- If we fail to comply with the reporting obligations of the Exchange Act or if we fail to maintain adequate internal control over financial reporting, our business and the trading price of our common stock could be materially adversely affected.

As a public company, we are required to comply with the periodic reporting obligations of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including the requirement that we file annual reports and quarterly reports with the SEC. Our failure to file required information in a timely manner could subject us to penalties under federal securities laws, expose us to lawsuits, create a default in our existing debt instruments and facilities, and restrict our ability to access financing. In addition, our management is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with generally accepted accounting principles (“GAAP”). However, our management has identified control deficiencies that constitute material weaknesses These material weaknesses resulted in material errors that caused us to file restated consolidated financial statements as of and for the years ended December 31, 2011, 2010 and 2009, and unaudited financial statements for interim periods in 2011 and interim periods ending on March 30, 2012 and June 29, 2012.

Although we have implemented measures to address the material weaknesses, the deficiencies collectively constituting the material weaknesses identified by management are not fully remediated as of the date of the filing of this report. We cannot provide assurance that we have identified all, or that we will not in the future have additional, material weaknesses in our internal control over financial reporting. As a result, we may be required to implement further remedial measures and to design enhanced processes and controls to address deficiencies, which could result in significant costs to us and require us to divert substantial resources, including management time, from other activities. If we do not effectively remediate the material weaknesses identified by management and maintain adequate internal controls over financial reporting in the future, we may not be able to prepare reliable financial reports and comply with our reporting obligations under the Exchange Act on a timely basis. Any such delays in the preparation of financial reports and the filing of our periodic reports may result in a loss of public confidence in the reliability of our financial statements, which, in turn, could materially adversely affect our business, the market value of our common stock and our access to capital markets.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

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ITEM 2. PROPERTIES

The Company's principal manufacturing facilities are listed below by country. The Company owns the building at its global headquarters located in Highland Heights, Kentucky and leases various distribution centers and sales and administrative offices around the world. Many of the domestic and international facilities produce products for multiple markets including electric infrastructure, electric utility, communications, construction and rod. The Company believes that its properties are generally well maintained and are adequate for the Company's current level of operations.

North American Operating Segment Manufacturing Properties

Number of Properties by Country	Owned or Leased
United States - 16	10 owned, 6 leased
Canada - 4	2 owned, 2 leased
Mexico - 3	3 leased
Brazil - 1	1 leased
France - 1	1 owned

European and Mediterranean Operating Segment Manufacturing Properties

Number of Properties by Country	Owned or Leased
Spain - 4	4 owned
France - 1	1 owned
Germany - 1	1 owned
Portugal - 1	1 owned
Angola - 1	1 owned
Algeria - 1	1 owned
Egypt - 1	1 owned

ROW Operating Segment Manufacturing Properties

Number of Properties by Country	Owned or Leased
Brazil - 3	2 owned, 1 leased
Colombia - 2	1 owned, 1 leased
Thailand - 2	2 owned
Venezuela - 2	2 owned
China - 1	1 leased
Chile - 1	1 owned
Costa Rica - 1	1 owned
Fiji - 1	1 owned
Honduras - 1	1 owned
India - 1	1 owned
Mexico - 1	1 owned
New Zealand - 1	1 owned
Peru - 1	1 leased
Philippines - 1	1 owned
South Africa - 1	1 leased
Zambia - 1	1 owned

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ITEM 3. LEGAL PROCEEDINGS

General Cable is subject to numerous federal, state, local and foreign laws and regulations relating to the storage, handling, emission and discharge of materials into the environment, including CERCLA, the Clean Water Act, the Clean Air Act (including the 1990 amendments) and the Resource Conservation and Recovery Act.

General Cable subsidiaries have been identified as potentially responsible parties with respect to several sites designated for cleanup under CERCLA or similar state laws, which impose liability for cleanup of certain waste sites and for related natural resource damages without regard to fault or the legality of waste generation or disposal. General Cable does not own or operate any of the waste sites with respect to which it has been named as a potentially responsible party by the government. Based on its review and other factors, management believes that costs relating to environmental clean-up at these sites will not have a material adverse effect on the Company's results of operations, cash flows or financial position.

American Premier Underwriters, Inc., ("American Premier") in connection with the 1994 Wassall PLC transaction, agreed to indemnify General Cable against liabilities (including all environmental liabilities) arising out of General Cable or its predecessors' ownership or operation of the Indiana Steel & Wire Company and Marathon Manufacturing Holdings, Inc. businesses (which were divested by the predecessor prior to the 1994 Wassall transaction), without limitation as to time or amount. American Premier also agreed to indemnify General Cable against $66^{2/3}$% of all other environmental liabilities arising out of General Cable or its predecessors' ownership or operation of other properties and assets in excess of $10 million but not in excess of $33 million, which were identified during the seven-year period ended June 2001. Indemnifiable environmental liabilities through June 2001 were substantially below that threshold. In addition, General Cable also has claims against third parties with respect to some of these liabilities. While it is difficult to estimate future environmental liabilities accurately, the Company does not currently anticipate any material adverse effect on the results of operations, financial condition or cash flows as a result of compliance with federal, state, local or foreign environmental laws or regulations or cleanup costs of the sites discussed above.

As part of the acquisition of Silec Cable, S.A.S ("Silec"), which was acquired in December 2005, SAFRAN SA ("SAFRAN") agreed to indemnify the Company for the full amount of losses arising from, related to or attributable to practices, if any, that are similar to previous practices investigated by the French competition authority for alleged competition law violations related to medium-and high-voltage cable markets. The Company has asserted a claim under this indemnity against SAFRAN related to the European Commission's Statement of Objections, to preserve our rights should an unfavorable outcome occur.

The Company's subsidiaries have been named as defendants in lawsuits alleging exposure to asbestos in products manufactured by the Company. As of December 31, 2012, General Cable was a defendant in approximately 29,089 cases brought in Federal District Courts throughout the United States. In calendar years 2012, 2011 and 2010, 113, 115, and 95 asbestos cases, respectively, were brought against the Company. In the last 20 years, General Cable has had no cases proceed to verdict. In many of the cases, General Cable was dismissed as a defendant before trial for lack of product identification. As of December 31, 2012, 21,868 asbestos cases have been dismissed. In calendar years 2012, 2011 and 2010, 66 cases, 61 cases and 5,491 cases, respectively, were dismissed. With regards to the approximately 29,089 remaining pending cases, General Cable is aggressively defending these cases based upon either lack of product identification as to General Cable manufactured asbestos-containing product and/or lack of exposure to asbestos dust from the use of General Cable product.

For cases outside the Multidistrict Litigation ("MDL") as of December 31, 2012, Plaintiffs have asserted monetary damages in 651 cases. In 179 of these cases, plaintiffs allege only damages in excess of some dollar amount (about $151 thousand per plaintiff); in these cases there are no claims for specific dollar amounts requested as to any defendant. In the 138 other cases pending in state and federal district courts (outside the MDL), plaintiffs seek approximately $388 million in damages from as many as 110 defendants. In one case, plaintiffs have asserted damages related to General Cable in the amount of $10 million. In addition, in relation to these 651 cases, there are claims of $220 million in punitive damages from all of the defendants. However, many of the plaintiffs in these cases allege non-malignant injuries. At December 31, 2012 and 2011, General Cable had accrued, on a gross basis, approximately $5.2 million and $5.1 million, respectively, and had recorded approximately $0.5 million and $0.6 million of insurance recoveries for these lawsuits, respectively. The net amount of $4.7 million and $4.5 million, as of

December 31, 2012 and 2011, respectively, represents the Company's best estimate in order to cover resolution of current and future asbestos-related claims.

The components of the asbestos litigation reserve are current and future asbestos-related claims. The significant assumptions are: (1) the number of cases per state, (2) an estimate of the judgment per case per state, (3) an estimate of the percentage of cases per state that would make it to trial and (4) the estimated total liability percentage, excluding insurance recoveries, per case judgment. Management's estimates are based on the Company's historical experience with asbestos related claims. The Company's current history of asbestos claims does not provide sufficient and reasonable information to estimate a range of loss for potential future, unasserted asbestos claims because the number and the value of the alleged damages of such claims have not been consistent. As such, the Company does not believe a reasonably possible range can be estimated with respect to asbestos claims that may be filed in the future.

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Settlement payments are made, and the asbestos reserve is relieved, when the Company receives a fully executed settlement release from the Plaintiff's counsel. As of December 31, 2012, aggregate settlement costs were $8.6 million. In calendar years 2012, 2011 and 2010, the settlement costs totaled $0.6 million, $0.9 million and $0.4 million, respectively. As of December 31, 2012, aggregate costs of administering and litigating the asbestos claims were $21.4 million. In calendar years 2012, 2011 and 2010, the costs of administering and litigating asbestos claims totaled $1.7 million, $2.2 million and $1.8 million, respectively.

In January 1994, General Cable entered into a settlement agreement with certain principal primary insurers concerning liability for the costs of defense, judgments and settlements, if any, in all of the asbestos litigation described above. Subject to the terms and conditions of the settlement agreement, the insurers are responsible for a substantial portion of the costs and expenses incurred in the defense or resolution of this litigation. In recent years one of the insurers participating in the settlement that was responsible for a significant portion of the contribution under the settlement agreement entered into insurance liquidation proceedings. As a result, the contribution of the insurers has been reduced and the Company has had to bear a larger portion of the costs relating to these lawsuits. Moreover, certain of the other insurers may be financially unstable, and if one or more of these insurers enter into insurance liquidation proceedings, General Cable will be required to pay a larger portion of the costs incurred in connection with these cases.

Based on our experience in this litigation, the amounts pleaded in the complaints are not typically meaningful as an indicator of the Company’s potential liability because (1) the amounts claimed usually bear no relation to the level of plaintiff’s injury, if any; (2) complaints nearly always assert claims against multiple defendants (a typical complaint asserts claims against some 50 different defendants); (3) damages alleged are not attributed to individual defendants; (4) the defendants’ share of liability may turn on the law of joint and several liability; (5) the amount of fault to be allocated to each defendant is different depending on each case; (6) many cases are filed against General Cable, even though the plaintiff did not use any of General Cable’s products, and ultimately are withdrawn or dismissed without any payment; (7) many cases are brought on behalf of plaintiffs who have not suffered any medical injuries, and ultimately are resolved without any payment to that plaintiff; and (8) with regard to claims for punitive damages, potential liability generally is related to the amount of potential exposure to asbestos from a defendant’s products. General Cable’s asbestos-containing products contained only a minimal amount of fully encapsulated asbestos.

General Cable is also involved in various routine legal proceedings and administrative actions. In the opinion of the Company’s management, these proceedings and actions should not, individually or in the aggregate, have a material adverse effect on its consolidated results of operations, cash flows or financial position.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

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PART II.

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information and Holders

General Cable's common stock is listed on the New York Stock Exchange under the symbol "BGC". As of February 15, 2013, there were approximately 1,645 registered holders of the Company's common stock. The following table sets forth the high and low daily sales prices for the Company's common stock as reported on the New York Stock Exchange during the years ended December 31:

	2012		2011	
	High	Low	High	Low
First Quarter	$34.54	$26.24	$45.65	$33.12
Second Quarter	33.17	23.92	49.32	35.75
Third Quarter	31.98	24.70	45.20	20.21
Fourth Quarter	31.16	26.36	31.02	20.87

Dividends

The Company currently does not pay dividends on its common stock. The future payment of dividends on common stock is subject to the discretion of General Cable's Board of Directors, restrictions under the Series A preferred stock, restrictions under the Company's current Revolving Credit Facility, the indentures governing the 0.875% Senior Convertible Notes, Subordinated Convertible Notes, Senior Floating Rate Notes and 5.75% Senior Notes, and the requirements of Delaware General Corporation Law, and will depend upon general business conditions, financial performance and other factors the Company's Board of Directors may consider relevant. General Cable does not expect to pay cash dividends on common stock in the foreseeable future.

Securities Authorized for Issuance under Equity Compensation Plans

Information related to the Company's securities authorized for issuance under equity compensation plans, including the tabular disclosure, is presented in Item 12 - Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

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Performance Graph

The graph below compares the annual percentage change in cumulative total shareholder return on General Cable stock in relation to cumulative total return of the Standard & Poor's 500 Stock Index, and a peer group of companies ("2012 Peer Group"). The data shown are for the period beginning May 16, 1997, the date that General Cable ("BGC") common stock began trading on the NYSE, through December 31, 2012.

	May 1997	Dec. 1997	Dec. 1998	Dec. 1999	Dec. 2000	Dec. 2001	Dec. 2002	Dec. 2003	Dec. 2004	Dec. 2005	Dec. 2006	Dec. 2007	Dec 2008	Dec 2009	Dec 2010	Dec 2011	Dec 2012
General Cable	100	167	143	53	32	97	29	62	105	149	331	555	134	223	266	189	230
2012 Peer Group	100	138	93	108	121	92	57	95	115	130	288	343	187	222	239	178	236
S&P 500	100	117	148	177	159	138	106	134	146	150	171	177	109	134	152	152	172

Assumes the value of the investment in General Cable common stock and each index was $100 on May 16, 1997.

(1) The 2012 Peer Group consists of Belden Inc. (NYSE: BDC), Prysmian (Italy Stock Exchange) and Nexans (Paris Stock Exchange). Returns in the 2012, 2011 and 2010 Peer Group are weighted by capitalization.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

The Company was authorized by its Board of Directors on October 29, 2012 to renew its stock repurchase program in an amount up to $125 million of common stock. The stock repurchase program will be effective for one year. Stock purchases under this program may be made through open market and privately negotiated transactions at times and in such amounts as deemed appropriate by a special committee appointed by the Board. The Company purchased $1.2 million or 50,000 common shares at an average price of $24.80 per share during the year ended December 31, 2012. Under this same program, the Company purchased $62.5 million, or 2.5 million common shares at an average price of $24.72, in the fourth quarter of 2011. The purpose of the share repurchase program is to take advantage of the investment opportunity given prevailing market prices at the time of purchase as well as our evaluation of other capital investment alternatives.

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The employees of the Company do have the right to surrender to the Company shares in payment of minimum tax obligations upon the vesting of grants of common stock under the Company's equity compensation plans. For the year ended December 31, 2012, 2011, and 2010, 81,382, 12,600 and 20,367 total shares were surrendered to the Company by employees in payment of minimum tax obligations upon the vesting of nonvested stock under the Company's equity compensation plans, and the average price paid per share was $20.73, $39.62 and $28.52 respectively.

ITEM 6. SELECTED FINANCIAL DATA

The selected financial information for the years ended December 31, 2012, 2011, and 2010 and as of December 31, 2012 and 2011,was derived from audited consolidated financial statements included in this filing and for the years ended December 31, 2009 and 2008 and as of December 31, 2009 and 2008 was derived from previously audited consolidated financial statements. The following selected financial data should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the Consolidated Financial Statements and related notes thereto, especially as the information pertains to 2012, 2011 and 2010 activity.

	Year Ended December 31,				
	2012 [2]	2011	2010	2009	2008
	(in millions, except metal price and share data)				
Net sales	$6,014.3	$5,866.7	$4,864.9	$4,385.2	$6,230.1
Gross profit	614.2	607.7	545.7	505.8	773.4
Operating income	194.8	230.1	214.1	166.2	392.4
Other income (expense)	(2.9)	(31.7)	(28.1)	7.0	(22.7)
Interest expense, net	(100.3)	(91.5)	(71.6)	(83.0)	(91.8)
Loss on extinguishment of debt	(9.3)	—	—	(7.6)	—
Income before income taxes	82.3	106.9	114.4	82.6	277.9
Income tax provision	(74.2)	(42.7)	(46.7)	(35.8)	(99.2)
Equity in net earnings of affiliated companies	1.7	2.9	1.4	0.9	4.6
Net income including noncontrolling interest	9.8	67.1	69.1	47.7	183.3
Less: preferred stock dividends	0.3	0.3	0.3	0.3	0.3
Less: Net income attributable to noncontrolling interest	5.8	1.1	7.4	7.9	13.1
Net income attributable to Company common shareholders	$3.7	$65.7	$61.4	$39.5	$169.9
Earnings per common share-basic	$0.07	$1.27	$1.18	$0.76	$3.23
Earnings per common share-assuming dilution	$0.08	$1.23	$1.16	$0.75	$3.19
Weighted average shares outstanding-basic	49.7	51.9	52.1	52.0	52.6
Weighted average shares outstanding-assuming dilution	51.1	53.7	53.1	52.8	53.4
Other Data:					
Depreciation and amortization	$117.1	$114.8	$105.5	$110.8	$97.3
Capital expenditures	$108.8	$121.8	$116.4	$143.6	$217.8
Average daily COMEX price per pound of copper cathode	$3.62	$4.01	$3.43	$2.35	$3.13
Average daily price per pound of aluminum rod	$1.02	$1.16	$1.05	$0.80	$1.21
	Dec 31, 2012 [2]	Dec 31, 2011	Dec 31, 2010	Dec 31, 2009	Dec 31, 2008
Balance Sheet Data:					
Working capital [1]	$1,257.0	$1,320.9	$1,354.3	$1,354.2	$1,199.9
Total assets	4,919.9	4,323.0	4,292.5	3,988.5	3,981.7
Total debt	1,450.1	1,048.9	985.5	922.3	1,254.0
Dividends to common shareholders	—	—	—	—	—

Total equity	1,470.7	1,461.7	1,567.3	1,481.4	1,131.7

(1) Working capital means current assets less current liabilities.

(2) Includes operating results of the acquired businesses, Alcan Cable North America, Procables, Prestolite and Alcan Cable China

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ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is intended to help the reader understand General Cable Corporation's financial position, changes in financial condition, and results of operations. MD&A is provided as a supplement to the Company's Consolidated Financial Statements and the accompanying Notes to Consolidated Financial Statements ("Footnote" or "Notes") and should be read in conjunction with the Consolidated Financial Statements and Notes.

Certain statements in this report including, without limitation, statements regarding future financial results and performance, plans and objectives, capital expenditures and the Company's or management's beliefs, expectations or opinions, are forward-looking statements, and as such, General Cable desires to take advantage of the "safe harbor" which is afforded such statements under the Private Securities Litigation Reform Act of 1995. The Company's forward-looking statements should be read in conjunction with the Company's comments in this report under the heading, "Disclosure Regarding Forward-Looking Statements." Actual results may differ materially from those statements as a result of factors, risks and uncertainties over which the Company has no control. For a list of these factors, risks and uncertainties, refer to Item 1A - Risk Factors.

Overview

The Company is a global leader in the development, design, manufacture, marketing and distribution of copper, aluminum and fiber optic wire and cable products for use in the energy, industrial, construction, specialty and communications markets. The Company additionally engages in the design, integration, and installation on a turn-key basis for products such as high and extra-high voltage terrestrial and submarine systems. The Company analyzes its worldwide operations based on three geographical segments: North America, Europe and Mediterranean, and ROW. As of December 31, 2012, the Company manufactures its product lines in 56 manufacturing facilities and sells its products worldwide through its global operations. The Company believes it has a strong market position in each of the segments in which it competes due to the Company's guiding principles discussed in Item 1 - Business.

Significant Current Business Trends and Events

The wire and cable industry is competitive, mature and cost driven with minimal differentiation for many product offerings among industry participants from a manufacturing or technology standpoint. In the latter part of 2010 and in 2011, the Company has benefited from a recovery in demand. However, demand and pricing levels generally remain low compared to the levels that were achieved prior to the impact of the global financial crisis and economic downturn that began in late 2007. The following are significant trends and events that occurred in 2012 that affected the Company's operating results:

The Company continued and expects to continue to see volatile commodity pricing, primarily copper and aluminum, as well as other cost inputs. The Company typically passes these changes in copper and aluminum prices along to its customers, although there are timing delays of varying lengths depending upon the volatility of metal prices, the type of product, competitive conditions, pricing mechanisms and particular customer arrangements. Although the general trends are detailed in Item 1 - Business – Raw Materials, there is no exact measure of the effect of the change of raw material cost inputs due to the high volume of transactions in any given period, each of which involves a number of factors in the individual pricing decisions. To help reduce this volatility, the Company has implemented various pricing mechanisms and hedges a portion of its metal purchases when there is a firm price commitment for a future delivery but does not engage in speculative metals trading.

On September 25, 2012, the Company completed the issuance and sale of $600.0 million in aggregate principal amount of new senior unsecured notes (the "5.75% Senior Notes"). The Company used a portion of the proceeds of the 5.75% Senior Notes offering to call for its 7.125% Senior Fixed Rates Notes due 2017 and intends to use the balance to purchase or redeem its 0.875% Convertible Notes through a possible tender offer, purchases or payment at maturity and for other general corporate purposes, which may include other borrowings under the Revolving Credit Facility.

On July 21, 2011, the Company entered into a $400 million Revolving Credit Facility, which was subsequently amended to, among other things, increase the Revolving Credit Facility to $700 million, $630 million of which may be borrowed by the U.S. borrower under the Revolving Credit Facility and $70 million of which may be borrowed by the Canadian borrower under the Revolving Credit Facility. The Revolving Credit Facility replaced the Company's prior $400 million Senior Secured Revolving Credit Facility (“Terminated Credit Facility”), which was set to mature in July 2012. The Revolving Credit Facility contains restrictions in areas consistent with the Terminated Credit Facility, including limitations on, among other things, distributions and dividends, acquisitions and investments, indebtedness, liens and affiliate transactions. In the aggregate, however, the restrictions in the Revolving Credit Facility provide the Company greater flexibility than those under the Terminated Credit Facility, and generally only apply in the event that the Company's availability under the Revolving Credit Facility falls below certain specific thresholds.

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In 2012, the Company continued to actively identify key trends in the industry to capitalize on expanding markets and new niche markets or exit declining or non-strategic markets in order to achieve better returns. The Company also sets aggressive performance targets for its business and intends to refocus or divest those activities which fail to meet targets or do not fit long-term strategies. In 2012 the Company acquired the North American and Chinese business of Alcan Cable, Prestolite Wire, LLC and 60% of Productora de Cables Procables S.A.S. See Note 3 - "Acquisitions and Divestitures" for further detail. No material acquisitions were made in the year ended December 31, 2011. The results of operations of the acquired businesses have been included in the Consolidated Financial Statements since the respective dates of the acquisition and have been determined to be individually and collectively immaterial for additional disclosure purposes. No material divestitures were made in the year ended December 31, 2012 and December 31, 2011.

In addition to the factors previously mentioned, the Company is currently being affected by the following general macro-level trends:

- Currency volatility and continued political uncertainty in certain markets;
- Competitive price pressures in certain markets, particularly those where the Company is a new entrant;
- Continued low levels of demand for a broad spectrum of products in Europe;
- Worldwide underlying long-term growth trends in electric utility and infrastructure markets;
- Continuing demand for natural resources, such as oil and gas, and alternative energy initiatives;
- Increasing demand for further deployment of submarine power and fiber optic communication systems; and
- Population growth in developing countries with growing middle classes that influences demand for wire and cable.

The Company's overall financial results discussed in this section of the annual report reflect the above trends.

Results of Operations

The following table sets forth, for the periods indicated, consolidated statement of operations data in millions of dollars and as a percentage of net sales. Percentages may not add due to rounding.

	Year Ended December 31,								
	2012			2011			2010		
	Amount	%		Amount	%		Amount	%	
Net sales	$6,014.3	100.0	%	$5,866.7	100.0	%	$4,864.9	100.0	%
Cost of sales	5,400.1	89.8	%	5,259.0	89.6	%	4,319.2	88.8	%
Gross profit	614.2	10.2	%	607.7	10.4	%	545.7	11.2	%
Selling, general and administrative expenses	419.4	7.0	%	377.6	6.4	%	331.6	6.8	%
Operating income	194.8	3.2	%	230.1	3.9	%	214.1	4.4	%
Other income (expense)	(2.9)	—	%	(31.7)	(0.5)	%	(28.1)	(0.6)	%
Interest expense, net, and loss on extinguishment of debt	(109.6)	(1.8)	%	(91.5)	(1.6)	%	(71.6)	(1.5)	%
Income before income taxes	82.3	1.4	%	106.9	1.8	%	114.4	2.4	%
Income tax provision	(74.2)	(1.2)	%	(42.7)	(0.7)	%	(46.7)	(1.0)	%
Equity in net earnings of affiliated companies	1.7	—		2.9	—		1.4	—	%
Net income including noncontrolling interest	9.8	0.2	%	67.1	1.1	%	69.1	1.4	%
Less: preferred stock dividends	0.3	—		0.3	—		0.3	—	
Less: net income attributable to noncontrolling interest	5.8	0.1	%	1.1	—		7.4	0.2	%
Net income attributable to Company common shareholders	$3.7	0.1	%	$65.7	1.1	%	$61.4	1.3	%

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Year Ended December 31, 2012 Compared with Year Ended December 31, 2011

Net Sales

The following tables set forth net sales, metal-adjusted net sales and metal pounds sold by segment, in millions. For the metal-adjusted net sales results, net sales for 2011 have been adjusted to reflect the 2012 copper average price of $3.62 per pound (a $0.39 decrease compared to the prior period) and the aluminum average price of $1.02 per pound (a $0.14 decrease compared to the prior period). Metal-adjusted net sales, a non-GAAP financial measure, are provided herein in order to eliminate the effect of metal price volatility from the comparison of revenues from one period to another. The comparable GAAP financial measure is set forth below. Refer to Item 7 - MD&A – Significant Current Business Trends and Events in the previous discussion of metal price volatility.

	Net Sales Year Ended					
	Dec 31, 2012			Dec 31, 2011		
	Amount	%		Amount	%	
North America	$2,340.2	39	%	$2,120.2	36	%
Europe and Mediterranean	1,678.9	28	%	1,735.7	30	%
ROW	1,995.2	33	%	2,010.8	34	%
Total net sales	$6,014.3	100	%	$5,866.7	100	%

	Metal-Adjusted Net Sales Year Ended					
	Dec 31, 2012			Dec 31, 2011		
	Amount	%		Amount	%	
North America	$2,340.2	39	%	$2,023.8	36	%
Europe and Mediterranean	1,678.9	28	%	1,654.8	30	%
ROW	1,995.2	33	%	1,889.2	34	%
Total metal-adjusted net sales	$6,014.3	100	%	$5,567.8	100	%
Metal adjustment	—			298.9		
Total net sales	$6,014.3			$5,866.7		

	Metal Pounds Sold Year Ended					
	Dec 31, 2012			Dec 31, 2011		
	Pounds	%		Pounds	%	
North America	432.1	38	%	317.4	32	%
Europe and Mediterranean	282.0	25	%	273.8	27	%
ROW	411.8	37	%	415.0	41	%
Total metal pounds sold	1,125.9	100	%	1,006.2	100	%

Net sales increased $147.6 million, or 3%, to $6,014.3 million in 2012 from 2011 and metal-adjusted net sales increased $446.5 million, or 8%, in 2012 from 2011. The increase in metal-adjusted net sales of $446.5 million reflects favorable selling price and product mix of $332.5 million, net sales of $268.8 million attributable to acquisitions, and higher sales volume of $51.9 million partially offset by unfavorable foreign currency exchange rate changes of $206.7 million. Volume, as measured by metal pounds sold, increased by 119.7 million pounds, or 12%, in 2012 compared to 2011. Metal pounds sold is provided herein as the Company believes this metric to be a consistent year over year measure of sales volume since it is not impacted by metal prices or foreign currency exchange rate changes.

Metal-adjusted net sales in the North America segment increased $316.4 million, or 16%, principally due to net sales of $229.0 million attributable to acquisitions, higher sales volumes of $64.5 million and favorable selling price and product mix of $25.9 million partially offset by unfavorable foreign currency exchange rate changes of $3.0 million, principally related to the Canadian dollar. Volume, as measured by metal pounds sold, increased by 114.7 million pounds, or 36%, in 2012 compared to 2011. The increase in volume is primarily attributable to the acquisitions executed in 2012. In addition to the acquisitions made in 2012, volume improvement principally reflects increased

demand for bare aluminum transmission products and specialty cables, particularly those used in natural resource extraction and transit applications.

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Metal-adjusted net sales in the Europe and Mediterranean segment increased $24.1 million, or 1%, in 2012 compared to 2011 due to favorable selling price and product mix of $130.3 million and higher sales volumes of $21.9 million partially offset by unfavorable foreign currency exchange rate changes of $128.1 million, primarily due to a weaker Euro relative to the U.S. dollar. Volume, as measured by metal pounds sold, increased by 8.2 million pounds, or 3%, in 2012 compared to 2011. The increase in volume is primarily attributable to the demand for utility products in France and increased exports from our Spanish facilities.

Metal-adjusted net sales in the ROW segment increased $106.0 million, or 6%, due to favorable selling price and product mix of $176.3 million and net sales of $39.8 million attributable to acquisitions partially offset by lower sales volume of $34.5 million and unfavorable foreign currency exchange rate changes of $75.6 million, primarily due to the weakening of certain currencies in Central and South America relative to the U.S. dollar. Volume, as measured by metal pounds sold, decreased by 3.2 million pounds, or 1%, in 2012 compared to 2011, which includes the benefit of 9.7 million pounds due to acquisitions. Excluding acquisitions, metal pounds sold decreased 12.9 million pounds, or 3%. The decline in metal pounds shipped is primarily attributable to aerial transmission product shipments in Brazil.

Cost of Sales

Cost of sales increased $141.1 million, or 3%, from 2011, principally due to higher sales volumes associated with acquisitions executed in 2012. The increase in volume is offset by lower average copper and aluminum costs in 2012. As previously noted, cost of sales is raw material intensive with copper and aluminum comprising the major cost components for most of the Company's cable products. At current metal prices, material costs are approximately 85% of total product costs with copper and aluminum metal costs comprising approximately 55% of total product cost for the year ended December 31, 2012.

Gross Profit

Gross profit remained relatively flat in 2012 as compared to 2011. Gross profit as a percentage of sales was 10% in 2012 and 2011. Gross profit in the fourth quarter of 2012 was significantly impacted by changes in cost estimates relating to certain submarine turnkey projects in the European segment. In total, the changes in estimates across all submarine turnkey projects resulted in a reduction to gross profit of $27.5 million, with $20.8 million of the reduction associated with one certain submarine turnkey project at the Company's German submarine power cable manufacturing facility. Equipment failure at the German facility resulted in costs, for this particular project, related to cable damage, equipment repairs and ship rental of $13.3 million. Further revision of this project's profitability, due to changes in estimates, resulted in a reduction of margin by $7.5 million. The project is approximately 40% complete as of December 31, 2012. There was no material impacts to gross profit as a result of changes in estimates related to revenue recognition under the percentage of completion method in 2011 or 2010.

Selling, General and Administrative Expense

Selling, general and administrative expense increased $41.8 million, or 11%, in 2012 from 2011. The increase in selling, general, and administrative expense is primarily a result of $22.0 million in additional expenses associated with acquired businesses in 2012 and $9.1 million of costs related to the 2012 acquisitions and restatements. In addition, SG&A increased due to a settlement loss of $6.1 million in 2012 associated with the termination of a legacy pension plan in the United Kingdom which was allocated amongst the segments.

Operating Income

The following table sets forth operating income by segment, in millions of dollars.

	Operating Income (Loss) Year Ended					
	Dec 31, 2012			Dec 31, 2011		
	Amount	%		Amount	%	
North America	$126.1	65	%	$121.8	53	%
Europe and Mediterranean	(13.0)	(7	)%	30.3	13	%
ROW	81.7	42	%	78.0	34	%
Total operating income	$194.8	100	%	$230.1	100	%

The increase in operating income for the North America segment of $4.3 million was primarily attributable to increases in sales volume due to acquisitions executed in 2012, favorable market demand for bare aluminum

transmission products related to aerial transmission grid projects as well as increased volume due to specialty cables. The increases to operating income were partially offset by an increase in SG&A expense for costs related to the acquisitions and to the restatements of $9.1 million in 2012.

The decrease in operating income for the Europe and Mediterranean segment of $43.3 million was primarily attributable to changes in cost estimates relating to certain submarine turnkey projects of $27.5 million and continued weak demand and pricing due to

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the economic slowdown in many European end markets. Partially offsetting these negative impacts were the current year benefits of European targeted cost reduction efforts, which include, among other actions, personnel reductions. The increase in operating income for the ROW segment of $3.7 million was primarily attributable to strong spending in Venezuela for government led projects as well as increased demand and operational improvements in Thailand. These increases in operating income are partially offset by decreased sales in Brazil, principally related to aerial transmission and reserves for disputed customer receivable accounts in Thailand.

Other Income (Expense)

Other income (expense) primarily includes foreign currency transaction gains or losses, which result from changes in exchange rates between the designated functional currency and the currency in which a transaction is denominated as well as gains and losses on derivative instruments that are not designated as cash flow hedges. During 2012 and 2011 the Company recorded a $2.9 million loss and a $31.7 million loss, respectively. For 2012, other expense was primarily attributable to $4.5 million of foreign currency transaction losses which resulted from changes in exchange rates in the various countries in which the Company operates, and $1.6 million of gains on derivative instruments which were not designated as cash flow hedges and ineffectiveness on derivatives designated as cash flow hedges. For 2011, other expense was primarily attributable to $24.4 million of foreign currency transaction losses which resulted from changes in exchange rates in the various countries in which the Company operates, and $6.1 million of losses on derivative instruments which were not designated as cash flow hedges.

Interest Expense

Net interest expense increased $18.1 million in 2012. Interest expense increased primarily due to fees and redemption premiums of $9.3 million associated with the call of the $200 million of the 7.125% Senior Notes. Additionally, interest expense increased due to the addition of the $600.0 million senior unsecured notes (the "5.75% Senior Notes"), issued on September 25, 2012.

Tax Provision

The Company’s effective tax rate for 2012 and 2011 was 90.2% and 39.9%, respectively. The increase in the Company's 2012 effective tax rate reflects the adverse impact of significant valuation allowances recorded against deferred tax assets, as explained further below, and nonrecurring tax charges incurred in connection with legal entity restructuring to integrate the Alcan acquisition. The Company’s 2011 effective tax rate reflects the adverse impact of valuation allowances recorded against deferred tax assets in certain foreign jurisdictions, partially offset by tax benefits recognized for uncertain tax positions due to statute of limitations expirations and tax audit settlements.

In the third quarter of 2012, the Company updated its 2012 forecasts and substantially completed its 2013 global business planning process, which indicated continuing weakness in its Iberian market and business. After weighing all positive and negative evidence, including the three year cumulative loss position, and factoring in prudent and feasible tax planning strategies, management judged that it was not more likely than not that a future tax benefit for the deferred tax assets of its Spanish and Portuguese business units would be realized. Tax expense of $11.5 million was recorded in 2012 to establish a full valuation allowance against Spanish and Portuguese deferred tax assets, of which $1.8 million related to the beginning of the year net deferred tax asset position.

In the fourth quarter of 2012, a valuation allowance was also recorded against deferred tax assets in the Company's German business unit. The German business unit incurred an equipment failure in the fourth quarter that adversely impacted its ability to meet its contractual obligations for its large project work and reduced profit expectations. In addition, the German business is encountering certain other project delay/cancellation and warranty issues. After weighing all positive and negative evidence, including the three year cumulative loss position, and factoring in prudent and feasible tax planning strategies, management judged that it was not more likely than not that a future tax benefit for the deferred tax assets of its German business would be realized. Tax expense of $8.3 million was recorded in 2012 to establish a full valuation allowance against German deferred tax assets, none of which related to a beginning of the year net deferred tax asset position.

A full valuation allowance was recorded in the fourth quarter of 2012 for the Company's Colombian distribution business since it was rendered redundant by the fourth quarter acquisition of Procables. The Colombian distribution business will be wound down and is expected to generate losses until the business is terminated. Tax expense of $1.1 million was recorded in 2012 to establish a full valuation allowance against the Colombian deferred tax assets, of which $0.2 million related to the beginning of the year net deferred tax asset position.

The Company continuously monitors the deferred tax position of all business units to determine whether a valuation allowance should be recorded. Full valuation allowances are currently recorded against deferred tax assets in ten significant business units. The Company is closely monitoring the deferred tax asset situation in New Zealand. The New Zealand business unit has been operating at marginal profitability in recent years due to depressed economic conditions and increased competition in the local market. After weighing all positive and negative evidence and factoring in prudent and feasible tax planning strategies, management

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has judged that it is more likely than not that a future tax benefit for the New Zealand business's $5.8 million of net deferred tax assets will be realized. Future deterioration in the New Zealand unit's profitability could result in the need to record a valuation allowance against its deferred tax assets in a subsequent period.

Preferred Stock Dividends

During 2012 and 2011, the Company accrued and paid $0.3 million in dividends on its Series A preferred stock.

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Year Ended December 31, 2011 Compared with Year Ended December 31, 2010

Net Sales

The following tables set forth net sales, metal-adjusted net sales and metal pounds sold by segment, in millions. For the metal-adjusted net sales results, net sales for 2010 have been adjusted to reflect the 2011 copper average price of $4.01 per pound (a $0.58 increase compared to the prior period) and the aluminum average price of $1.16 per pound (an $0.11 increase compared to the prior period). Metal-adjusted net sales, a non-GAAP financial measure, are provided herein in order to eliminate the effect of metal price volatility from the comparison of revenues from one period to another. The comparable GAAP financial measure is set forth below. Refer to Item 7 - MD&A – Significant Current Business Trends and Events in the previous discussion of metal price volatility.

	Net Sales Year Ended					
	Dec 31, 2011			Dec 31, 2010		
	Amount	%		Amount	%	
North America	$2,120.2	36	%	$1,785.0	37	%
Europe and Mediterranean	1,735.7	30	%	1,498.6	31	%
ROW	2,010.8	34	%	1,581.3	32	%
Total net sales	$5,866.7	100.0	%	$4,864.9	100.0	