

JORGENSEN EARLE M CO /DE/
Form S-4/A
March 11, 2005
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As filed with the Securities and Exchange Commission on March 11, 2005

Registration No. 333-111882

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

AMENDMENT NO. 5 TO

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

EARLE M. JORGENSEN COMPANY

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

5051
(Primary Standard Industrial
Classification Code Number)

95-0886610
(I.R.S. Employer
Identification Number)

10650 Alameda Street
Lynwood, California 90262

(323) 567-1122

(Address and telephone number of registrant's principal executive offices)

William S. Johnson

Vice President, Chief Financial Officer and Secretary

Earle M. Jorgensen Company

10650 Alameda Street

Lynwood, California 90262

(323) 567-1122

(Name, address and telephone number of agent for service)

Copy to:

Mark A. Conley, Esq.

Katten Muchin Zavis Rosenman

2029 Century Park East, Suite 2600

Los Angeles, CA 90067

Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective and the effective time of the merger of Earle M. Jorgensen Holding Company, Inc. with and into EMJ Metals LLC, a wholly owned subsidiary of the Registrant, as described in the Agreement and Plan of Merger and Reorganization, dated as of December 17, 2004, amended as of January 28, 2005, and further amended as of March 3, 2005, included as Annex A to the proxy statement/prospectus forming a part of this registration statement.

If the securities being registered on this form are to be offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

The information in this proxy statement/prospectus is not complete and may be changed. We may not sell these securities until the Registration Statement filed with the Securities and Exchange Commission (the Commission) of which this proxy statement/prospectus is a part is effective. This proxy statement/prospectus is not an offer to sell these securities, and we are not soliciting offers to buy these securities, in any state where the offer or sale is not permitted. The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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Earle M. Jorgensen Holding Company, Inc.

10650 Alameda Street

Lynwood, California 90262

March , 2005

Dear Stockholder:

Earle M. Jorgensen Holding Company, Inc., or Holding, and its wholly owned subsidiary, Earle M. Jorgensen Company, or EMJ, have agreed to a merger and associated financial restructuring pursuant to which a wholly owned subsidiary of EMJ will acquire Holding and you will become a stockholder of EMJ. Preferred stockholders will receive cash consideration in addition to shares of EMJ common stock.

Concurrently with the merger and financial restructuring, EMJ expects to consummate a public offering of its common stock. The price of the EMJ common stock issued in the public offering will establish its value as consideration in the merger and financial restructuring and the net cash proceeds of the public offering will be used to pay the cash portion of the consideration for the Holding notes, series A preferred stock and series B preferred stock. Consummation of the merger and financial restructuring is conditioned on completion of the public offering.

Our board of directors approved the merger agreement and the merger, subject to the condition that the public offering price of the EMJ common stock is not less than \$7.00 per share and the public offering results in not less than \$100,000,000 of net proceeds to EMJ. You should consider the proposed merger and financial restructuring based on the possibility that this worst case scenario could actually occur (in which case you will receive one share of EMJ common stock for each share of Holding common stock, merger consideration consisting of \$246.01 in cash and 81.52 shares of EMJ common stock for each share of Holding series A preferred stock and merger consideration consisting of \$301.23 in cash and 99.82 shares of EMJ common stock for each share of Holding series B preferred stock).

The preliminary prospectus for the public offering, however, reflects a public offering price of EMJ's common stock of \$15.00 per share, and net proceeds of the public offering equal to \$279,750,000, which would result in you receiving:

one share of EMJ common stock for each share of Holding common stock you own;

merger consideration having a value of \$816.68, consisting of \$688.21 in cash and 8.56 shares of EMJ's common stock for each share of Holding series A preferred stock you own; and

merger consideration having a value of \$1,000, consisting of \$842.70 in cash and 10.49 shares of EMJ's common stock for each share of Holding series B preferred stock you own.

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Approval of the merger and financial restructuring requires the affirmative vote of a majority of (a) all issued and outstanding shares of Holding common stock and series B preferred stock, voting together as a class, but excluding the shares of such stock held by Kelso Investment Associates IV, L.P., or KIA IV, and its affiliates; and (b) all issued and outstanding shares of series A preferred stock, voting separately as a class, but excluding the shares of series A preferred stock held by affiliates of KIA IV. We have scheduled a special meeting of stockholders of Holding to obtain this approval. The meeting will be held on April 13, 2005, at 10:00 a.m., Eastern Time, at the offices of Katten Muchin Zavis Rosenman located at 575 Madison Avenue, New York, New York 10022-2585. Our board of directors unanimously adopted and approved the merger agreement and the merger and financial restructuring and recommends that you vote for approval of the merger agreement and the merger and financial restructuring. Some of our directors have potential conflicts of interest arising from their relationship with KIA IV and its affiliates that are more fully described in Additional Summary Information Interests of Certain Persons in Matters to be Acted Upon at page 5 and Certain Relationships and Related Transactions at page 153 of the attached proxy statement/prospectus.

The attached proxy statement/prospectus provides you with detailed information about the merger and financial restructuring and the special meeting. Please carefully review the entire proxy statement/prospectus, including the matters discussed under Risk Factors beginning on page 21 of the attached proxy statement/prospectus, before voting.

David M. Roderick

Chairman of the Board

Maurice S. Nelson, Jr.

President, Chief Executive Officer and

Chief Operating Officer

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be offered pursuant to this proxy statement/prospectus or passed upon the adequacy or accuracy of this proxy statement/prospectus. Any representation to the contrary is a criminal offense.

This proxy statement/prospectus is dated March , 2005, and is first being mailed to stockholders on or about March , 2005.

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Earle M. Jorgensen Holding Company, Inc.

10650 Alameda Street

Lynwood, California 90262

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD ON APRIL 13, 2005

We will hold a special meeting of stockholders of Earle M. Jorgensen Holding Company, Inc., or Holding, on April 13, 2005 at 10:00 a.m., Eastern Time, at the offices of Katten Muchin Zavis Rosenman located at 575 Madison Avenue, New York, New York 10022-2585. The purpose of the special meeting is to allow you to consider and vote on a proposal to adopt and approve an Agreement and Plan of Merger and Reorganization, or merger agreement, dated as of December 17, 2004, amended as of January 28, 2005, and further amended as of March 3, 2005, by and among Earle M. Jorgensen Holding Company, Inc., Earle M. Jorgensen Company, or EMJ, and EMJ Metals LLC, a newly formed, wholly owned subsidiary of EMJ, pursuant to which Holding will merge with and into EMJ Metals LLC, with EMJ Metals LLC as the survivor. A copy of the merger agreement is attached to this proxy statement/prospectus as Annex A.

The accompanying proxy statement/prospectus describes the proposed merger, the merger agreement and related matters in more detail. We encourage you to read the entire document carefully. In particular, you should carefully consider the discussion entitled **Risk Factors** beginning on page 21. The proxy statement/prospectus sets forth certain appraisal rights that may exist in the event the proposed merger is approved.

The board of directors of Holding set March 1, 2005 as the record date for the special meeting. As a result, holders of record of Holding's series A preferred stock, series B preferred stock and common stock at the close of business on March 1, 2005 are entitled to notice of, and to vote with respect to, all matters applicable to such classes of securities to be acted upon at the special meeting or any adjournment or postponement thereof. A complete list of such stockholders will be available at the headquarters of Holding at 10650 Alameda Street, Lynwood, California 90262, for examination by any stockholder of Holding, for any purpose related to this special meeting, during normal business hours for a period of ten days prior to this special meeting.

All stockholders are cordially invited to attend the special meeting in person. However, whether or not you plan to attend the special meeting in person, you are urged to promptly submit your proxy (1) by completing, signing, dating and returning the enclosed proxy card(s) in the envelope provided, (2) by telephone or (3) over the Internet. The proxy card(s) requires no postage if mailed in the United States in the enclosed, self-addressed return envelope. You may revoke your proxy in the manner described in the accompanying proxy statement/prospectus at any time before your shares have been voted at the special meeting, including by attending the meeting and voting your shares in person.

Your vote is important. If you fail to vote, this will have certain results. If you own shares directly, your failure to vote those shares or an abstention will have the same effect as a vote against the merger and financial restructuring. If you are a participant in the stock bonus plan and your capital stock has been allocated to a rollover account and you fail to direct the plan's trustee as to how those shares are to be voted, the

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trustee will not vote those shares. This will also have the same effect as a vote against the merger and financial restructuring. If you are a participant in the stock bonus plan and your capital stock has not been allocated to a rollover account and you fail to direct the plan's trustee as to how those shares are to be voted or fail to provide instruction with respect to the proposal referenced on your instruction card(s), the trustee will vote those shares at the direction of the benefits committee in favor of the merger and financial restructuring.

You should not send Holding stock certificates with your proxy card(s). After completion of the merger, the exchange/paying agent will send you written instructions for exchanging Holding stock certificates for cash and/or EMJ stock certificates.

If you have any questions, or need assistance in voting your proxy, you may call William S. Johnson, our corporate secretary, at (323) 567-1122.

By order of the Board of Directors

William S. Johnson

VICE PRESIDENT, CHIEF FINANCIAL OFFICER

AND SECRETARY

Lynwood, California

March , 2005

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Annex B Exchange Agreement, as amended

Annex C Amended and Restated Certificate of Incorporation of EMJ

Annex D Amended and Restated Bylaws of EMJ

Annex E Amended and Restated Charter of the Audit Committee

Annex F Opinion of Wachovia Capital Markets, LLC

Annex G Opinion of Duff & Phelps, LLC

Annex H Section 262 of the Delaware General Corporation Law

You should rely only on the information contained in this document or to which we have referred you. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document may only be accurate on the date of this document.

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QUESTIONS AND ANSWERS REGARDING THE MERGER AND FINANCIAL RESTRUCTURING

Q: WHAT AM I BEING ASKED TO VOTE ON AT THE MEETING?

A: Earle M. Jorgensen Holding Company, Inc., or Holding, has entered into an agreement and plan of merger and reorganization, or merger agreement, with Earle M. Jorgensen Company, or EMJ, and EMJ Metals LLC, a newly formed wholly owned subsidiary of EMJ. Holding has also entered into an exchange agreement with EMJ, Kelso Investment Associates, L.P., or KIA I, Kelso Equity Partners II, L.P., or KP II, KIA III Earle M. Jorgensen, L.P., or KIA III, and Kelso Investment Associates IV, L.P., or KIA IV. The merger agreement and the exchange agreement set forth the terms of the proposed merger and associated financial restructuring. A copy of each of the merger agreement and exchange agreement is attached to this proxy statement/prospectus as Annex A and Annex B, respectively. For a description of each, see Material Provisions of the Merger Agreement and Exchange Agreement.

The purpose of the special meeting to be held on April 13, 2005 is to allow the stockholders of Holding to consider and vote on a proposal to adopt and approve the merger agreement and the merger and financial restructuring. You are receiving these materials in connection with Holding's solicitation of proxies for the special meeting and because this document is also EMJ's prospectus for the shares of common stock that it will issue in the merger and financial restructuring.

Q: HOW WILL THE MERGER AND FINANCIAL RESTRUCTURING RELATE TO THE CONCURRENT INITIAL PUBLIC OFFERING OF EMJ COMMON STOCK?

A: Concurrently with the merger and financial restructuring, EMJ expects to consummate a public offering of shares of its common stock. As reflected in EMJ's public offering preliminary prospectus dated March 1, 2005, relating to the EMJ public offering, EMJ currently expects to sell 20,000,000 shares in the public offering and receive net proceeds of approximately \$279,750,000 based on an assumed public offering price of \$15.00 per share, the mid-point of the range described on the cover of the public offering preliminary prospectus. See Q: HOW WILL THE MERGER CONSIDERATION AND THE CONSIDERATION TO BE ISSUED IN EXCHANGE FOR THE HOLDING NOTES BE DETERMINED? The net proceeds of the public offering will be allocated to the payment of the cash portion of the exchange consideration of the Holding notes and the cash portion of the merger consideration of the series A preferred stock and the series B preferred stock. **There can be no assurance that the public offering price will be equal to the assumed mid-point of the range or within the range or that the net proceeds of the public offering will be equal to \$279,750,000, as we have assumed.**

Completion of the merger and financial restructuring is conditioned upon (1) consummation of the public offering of EMJ common stock at a public offering price that is not less than \$7.00 and (2) the public offering resulting in at least \$100,000,000 of net proceeds to EMJ. **When voting on the proposed merger and financial restructuring you should consider that this worst case scenario could actually occur, and, if you are a Holding stockholder, you may receive the merger consideration set forth under Q: WHAT WILL THE MERGER CONSIDERATION BE IF THE PUBLIC OFFERING PRICE IS \$7.00 PER SHARE AND THE PUBLIC OFFERING RESULTS IN \$100,000,000 OF NET PROCEEDS TO EMJ?** The closing of the public offering is conditioned upon, and will occur on the same day as, the closing of the merger and financial restructuring.

Q: WHAT IS THE RECOMMENDATION OF THE SPECIAL COMMITTEE AND HOLDING'S BOARD OF DIRECTORS?

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A: A special committee of Holding's board of directors, consisting of Messrs. Mason and Nelson, has unanimously approved the merger agreement and the merger and financial restructuring and unanimously recommended that Holding's board of directors approve the merger agreement and the merger and financial restructuring. Holding's board of directors unanimously adopted and approved the merger agreement and the

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merger and financial restructuring and recommended that its stockholders vote FOR the approval of the merger agreement and the merger and financial restructuring.

Q: WHY WAS THE SPECIAL COMMITTEE FORMED?

A: The special committee was formed because of potential conflicts of interest arising from the relationship of certain directors of Holding with Kelso and its affiliates. As of the record date, KIA IV, the other Kelso funds and Kelso affiliates, including one of our directors, held 8,259,799 shares of Holding common stock, which represented 73.8% of the issued and outstanding shares of Holding common stock, and 24,519 shares of series A preferred stock, which represented 42.6% of the issued and outstanding shares of series A preferred stock. As of the record date, KIA IV also held approximately \$257,100,000 of the Holding notes (including accrued but unpaid interest through September 29, 2004) and warrants to purchase 2,937,915 shares of Holding common stock, which represented all of the outstanding Holding notes and all of the outstanding Holding warrants. Kelso designates five of seven Holding and EMJ directors, two of whom are also principals of Kelso; and Kelso provides financial advisory services to Holding and EMJ for a fee and reimbursement of expenses. These relationships make Kelso and its affiliates interested parties in the proposed transaction. To eliminate the effects of potential conflicts of interest arising from the interests of Kelso and its affiliates in evaluating, negotiating and recommending strategic alternatives to Holding's board of directors, including a possible financial restructuring, Holding's board of directors formed the special committee, composed of two directors who are not affiliated with, and were not designated by, Kelso. See Additional Summary Information Interests of Certain Persons in Matters to be Acted Upon beginning at page 5.

Q: WHY IS HOLDING'S BOARD OF DIRECTORS RECOMMENDING THAT I VOTE FOR THE MERGER?

A: Holding's board of directors believes that the merger and financial restructuring is in the best interests of Holding and its stockholders for the following reasons:

The merger and financial restructuring and the public offering, which is a condition to closing the merger and financial restructuring, will result in:

the exchange of all outstanding Holding notes, including interest accrued through September 29, 2004, valued at approximately \$257,100,000, for shares of EMJ common stock and cash, which will stop the accretion of interest at the rate of 18% per annum (currently resulting in interest accruals of approximately \$48,900,000 per year) that adversely affects the value of each class of capital stock owned by Holding's stockholders;

the conversion of all shares of series A preferred stock issued and outstanding as of the date of this proxy statement/prospectus, valued at approximately \$47,000,000 in the aggregate (including dividends accrued through September 29, 2004), and all shares of series B preferred stock issued and outstanding as of the date of this proxy statement/prospectus, valued at approximately \$27,900,000 in the aggregate (all accumulated dividends have been paid in-kind through September 29, 2004), into shares of EMJ common stock and cash, which will stop the accretion of dividends at rates of 18% and 15½% per annum, respectively (currently resulting in dividend accruals of approximately \$11,200,000 per year in the aggregate), that adversely affects the value of the Holding common stock;

the elimination of the liquidation preference of the Holding notes relative to Holding's capital stock and the elimination of the liquidation preference of Holding's preferred stock relative to Holding's common stock;

simplification of Holding s capital structure;

the receipt by the holders of the series A preferred stock of cash for at least (a) 30.1% of their existing investment, based on the closing condition that the public offering results in at least \$100,000,000 of net proceeds to EMJ, and (b) 84.3% of their existing investment, assuming the

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public offering results in \$279,750,000 of net proceeds to EMJ (before taking into account estimated offering expenses payable by EMJ, as set forth under "Use of Proceeds" in the public offering preliminary prospectus); and

the receipt by the holders of the series B preferred stock of cash for at least (a) 30.1% of their existing investment, based on the closing condition that the public offering results in at least \$100,000,000 of net proceeds to EMJ, and (b) 84.3% of their existing investment, assuming the public offering results in \$279,750,000 of net proceeds to EMJ (before taking into account estimated offering expenses payable by EMJ, as set forth under "Use of Proceeds" in the public offering preliminary prospectus).

No strategic transaction alternative likely to be available now or in the immediate future would result in equal or better compensation to Holding's stockholders, other than Kelso and its affiliates, after providing for the repayment of the Holding notes.

Upon completion of the merger and financial restructuring and the public offering, EMJ will have greater flexibility to pursue capital markets transactions and strategic transactions that are not currently available.

The holders of the series A and series B preferred stock will receive a portion of their merger consideration in cash and, therefore, will be able to diversify a portion of their investments in the securities of Holding.

Completion of the merger and financial restructuring and public offering transactions will provide the holders of Holding's capital stock more liquidity in their investments in EMJ.

For more detail see the recommendations of the special committee and Holding's board of directors, beginning on pages 52 and 55, respectively.

Q: WHAT WILL HAPPEN AS A RESULT OF THE MERGER AND FINANCIAL RESTRUCTURING?

A: As a result of the merger and financial restructuring, Holding and EMJ Metals, LLC, a wholly owned subsidiary of EMJ, will be combined, Holding will cease to exist as the parent company of EMJ, and Holding's securityholders will become the stockholders of EMJ. Holding currently has four different securities (other than warrants and options to purchase its common stock) outstanding:

Holding notes that bear interest at 18% per annum compounded semiannually and have priority over all of the other securities of Holding on liquidation;

series A preferred stock that is entitled to a cumulative annual dividend of 18% and has priority over the series B preferred stock and common stock of Holding on liquidation;

series B preferred stock that is entitled to cumulative quarterly dividends of 15½% per annum and has priority over Holding common stock on liquidation; and

common stock that does not pay dividends and is the lowest ranking security of Holding on liquidation.

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As a result of the merger and financial restructuring, (1) each owner of Holding notes, series A preferred stock and Series B preferred stock will receive cash and EMJ common stock in exchange for his, her or its Holding securities, (2) each owner of Holding common stock will receive EMJ common stock and (3) EMJ will have only one class of securities issued and outstanding.

Q: WHAT WILL I RECEIVE IN THE MERGER?

A: Each share of Holding s common stock will be converted into one share of EMJ s common stock. Assuming that the public offering price is \$15.00, the mid-point of the range described on the cover of the public

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offering preliminary prospectus, and the net proceeds of the public offering applied to payment of the cash portion of the merger and exchange consideration are \$279,750,000 (before taking into account estimated offering expenses payable by EMJ, as set forth under "Use of Proceeds" in the public offering preliminary prospectus), in the merger and financial restructuring:

each share of series A preferred stock will be converted into merger consideration equal to \$816.68 (which is equal to the appraised value as of March 31, 2004, including accumulated and unpaid dividends from April 1, 2004 through September 29, 2004) consisting of \$688.21 in cash and 8.56 shares of EMJ's common stock; and

each share of series B preferred stock will be converted into merger consideration equal to \$1,000 (which is equal to the liquidation value of each share of series B preferred stock (all accumulated dividends have been paid in-kind through September 29, 2004)) consisting of \$842.70 in cash and 10.49 shares of EMJ's common stock.

There can be no assurance, however, that the public offering price will be equal to the mid-point of, or within, the range described above, or that the net proceeds of the public offering will be equal to \$279,750,000, as we have assumed. Our board of directors approved the merger agreement and the merger subject to the nonwaivable condition that the public offering price of the EMJ common stock is not less than \$7.00 per share and the public offering results in not less than \$100,000,000 of net proceeds to EMJ, and you should consider the proposed merger and financial restructuring based on the possibility that this "worst case" scenario could actually occur (in which case you will receive merger consideration having a value of \$816.68 consisting of \$246.01 in cash and 81.52 shares of EMJ common stock for each share of Holding series A preferred stock you own and merger consideration having a value of \$1,000, consisting of \$301.23 in cash and 99.82 shares of EMJ common stock for each share of Holding series B preferred stock you own). A change in the public offering price from the assumed price will affect the number of shares of EMJ common stock received in exchange for each share of series A preferred stock and series B preferred stock. See "Q: HOW WILL THE PUBLIC OFFERING PRICE OF THE EMJ COMMON STOCK AFFECT THE MERGER CONSIDERATION?" A change in the net proceeds of the public offering will affect the amount of cash and the number of shares of EMJ common stock received in exchange for each share of series A preferred stock and series B preferred stock. See "Q: HOW WILL THE AMOUNT OF NET PROCEEDS OF THE PUBLIC OFFERING AFFECT THE MERGER CONSIDERATION?" Fractional shares will be paid in cash in lieu of EMJ common stock.

Q: WHAT ARE THE OTHER COMPONENTS OF THE MERGER AND FINANCIAL RESTRUCTURING?

A: Assuming that the public offering price is \$15.00, the mid-point of the range described on the cover of the public offering preliminary prospectus, and the net proceeds of the public offering applied to payment of the cash portion of the merger and exchange consideration are \$279,750,000 (before taking into account estimated offering expenses payable by EMJ, as set forth under "Use of Proceeds" in the public offering preliminary prospectus), the merger and financial restructuring also provides that:

Holding's indebtedness will be exchanged for an aggregate of \$216,631,383 in cash and 2,695,862 shares of EMJ's common stock;

the outstanding warrants to purchase shares of Holding common stock will be exchanged for 2,935,956 shares of EMJ's common stock;

the obligations of Holding to issue 3,053,668 shares of common stock under the outstanding Holding stock option agreements will be assumed by EMJ. Upon exercise of such options, EMJ will be obligated to issue an equal number of shares of its common stock at the same exercise price and on the same terms and conditions as provided in the Holding stock option agreements and stock option plan;

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EMJ will establish a new stock incentive plan and the aggregate number of shares of its common stock available for issuance under the plan will equal 5% of the total number of shares of EMJ common stock

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issued and outstanding after giving effect to the consummation of the merger and financial restructuring and public offering. (See Management Stock Incentive Plan at page 146); and

as soon as practicable after, and conditioned upon consummation of, the public offering, EMJ will pay a taxable bonus to its employees on the closing date who are also participants in the stock bonus plan in an aggregate amount of \$8,500,000.

Q: HOW WILL THE MERGER CONSIDERATION AND THE CONSIDERATION TO BE ISSUED IN EXCHANGE FOR THE HOLDING NOTES BE DETERMINED?

A: Concurrently with the merger and financial restructuring, EMJ expects to consummate a public offering of its common stock. The price of a share of EMJ common stock in the public offering will be used in calculating the number of shares of EMJ common stock to be issued as merger consideration and exchange consideration. For the purpose of this proxy statement/prospectus, we have assumed that the public offering price of the EMJ common stock will be \$15.00, the mid-point of the range described on the cover of the public offering preliminary prospectus, and that the net proceeds of the public offering applied to the payment of the cash portion of the merger and exchange consideration will be \$279,750,000 (before taking into account estimated offering expenses payable by EMJ, as set forth under Use of Proceeds in the public offering preliminary prospectus). There can be no assurance, however, that the public offering price will be equal to the assumed mid-point of, or within, the range or that the net proceeds of the public offering will be equal to approximately \$279,750,000, as we have assumed.

Upon completion of the public offering, all of the net proceeds of the public offering will be applied pro rata to the payment of the Holding notes, the series A preferred stock and the series B preferred stock in the proportion that their respective amounts bear to the aggregate value of the Holding notes, issued and outstanding as of the closing date (including interest accrued through September 29, 2004), and the series A preferred stock and the series B preferred stock, issued and outstanding as of the closing date (including dividends accreted or paid in-kind through September 29, 2004). The aggregate value of the series A preferred stock outstanding as of the record date was approximately \$47,000,000, the aggregate value of the series B preferred stock outstanding as of the record date was approximately \$27,900,000 and the aggregate value of the Holding notes as of the record date was approximately \$257,100,000 (including accrued interest and dividends through September 29, 2004). Accordingly, approximately 14.2% of the net proceeds will be applied to the series A preferred stock, 8.4% of the net proceeds will be applied to the series B preferred stock, and 77.4% of the net proceeds will be applied to the Holding notes. The balance of the respective values of the series A preferred stock, the series B preferred stock and the Holding notes outstanding as of the closing date will be converted into or exchanged for EMJ common stock at the public offering price.

The underwriters in the public offering have the option to purchase up to an additional 3,000,000 shares of common stock from EMJ at the public offering price within 30 days after consummation of the public offering to cover over-allotments. Net proceeds, if any, from the exercise of such option will be applied pro rata to the payment of the Holding notes, series A preferred stock and series B preferred stock in proportion to the aggregate value of these respective securities in lieu of the issuance of shares of EMJ common stock. In order to provide for the possible exercise of the over-allotment option, EMJ is authorized to holdback for a period of 30 days after closing, from the exchange consideration for the Holding notes and the merger consideration for the shares of series A preferred stock shares and series B preferred stock, shares of EMJ common stock sufficient to provide for the exercise of the over-allotment option. Promptly after the end of the 30 day period, EMJ will release the cash and/or shares of EMJ common stock to the holders of the Holding notes, series A preferred stock and series B preferred stock after giving effect to the exercise of the over-allotment option, if any. Unless otherwise noted, the disclosure in this proxy statement/prospectus does not reflect the underwriters exercise of their over-allotment option.

Q: WHAT WILL THE MERGER CONSIDERATION BE IF THE PUBLIC OFFERING PRICE IS \$7.00 PER SHARE AND THE PUBLIC OFFERING RESULTS IN \$100,000,000 OF NET PROCEEDS TO EMJ?

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A: The consummation of the merger and financial restructuring is subject to the nonwaivable condition that the public offering price of the EMJ common stock is not less than \$7.00 per share and the public offering results

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in net proceeds of at least \$100,000,000 to EMJ. The following table illustrates the number of shares of EMJ common stock and the amount of cash that will be paid to the Holding securityholders if this worst case scenario actually occurs and the public offering price of the EMJ common stock is \$7.00 per share and the net proceeds of the public offering are \$100,000,000.

Shares of EMJ Common Stock Issued in the Merger and Financial Restructuring

	Per Share Merger Consideration		EMJ Common Stock		
			Ownership		
	Shares of EMJ Common Stock	Cash	Aggregate Shares Issued	Shares Issued to Employees (1)	Employees % Ownership (2)
<i>Offering price of \$7.00 per share; net proceeds of \$100,000,000</i>					
Common Stock	1.00	\$	14,130,840(3)	2,542,610	4.06%
Series A preferred stock	81.52	246.01	4,693,620	2,694,005	4.30
Series B preferred stock	99.82	301.23	2,783,276	2,781,169	4.44
Holding notes		77,437,492(4)	25,661,689(4)		

- (1) Represents shares of EMJ common stock expected to be issued directly to employees and to the stock bonus plan upon conversion of Holding capital stock.
- (2) Employee percentage ownership was calculated based on 62,589,226 shares of EMJ common stock expected to be outstanding upon completion of the merger and financial restructuring and the public offering if the offering price of the EMJ common stock is \$7.00 per share and the net proceeds to EMJ from the public offering are \$100,000,000. The number of shares of EMJ common stock issued does not include 3,103,668 shares of EMJ common stock issuable upon the exercise of stock options that are expected to be outstanding at closing and 2,461,547 shares of EMJ common stock that are reserved for issuance to the stock bonus plan pursuant to Holding's obligation to make a special contribution to the stock bonus plan, as described under Q: HOW DOES THE AMENDED CONSENT ORDER AND RELEASE ENTERED INTO BY HOLDING, THE STOCK BONUS PLAN AND THE DEPARTMENT OF LABOR AFFECT THE MERGER AND FINANCIAL RESTRUCTURING?
- (3) Represents shares issued as merger and exchange consideration for the Holding common stock and warrants.
- (4) Represents the aggregate cash consideration and number of shares of EMJ common stock that would be received by the holder of the Holding notes upon exchange of the Holding notes.

Q: HOW WILL THE PUBLIC OFFERING PRICE OF THE EMJ COMMON STOCK AFFECT THE MERGER CONSIDERATION?

A: We have assumed for purposes of the disclosure in this proxy statement/prospectus that the public offering price will be \$15.00 per share of EMJ common stock, the mid-point of the range described on the cover of the public offering preliminary prospectus. The actual public offering price will be determined when the public offering is priced, which is expected to occur soon after the special meeting. If the public offering price is greater than \$15.00, the holders of the series A preferred stock, the series B preferred stock and the Holding notes will receive fewer shares of EMJ common stock for their Holding securities. If the public offering price is less than \$15.00, the holders of the series A preferred stock, the series B preferred stock and the Holding notes will receive more shares of EMJ common stock for their Holding securities.

The completion of the merger and financial restructuring is conditioned upon (1) the simultaneous completion of the public offering at a public offering price that is not less than \$7.00 and (2) the public offering resulting in at least \$100,000,000 of net proceeds to EMJ.

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The following table illustrates how the public offering price will affect the number of shares issued to the Holding securityholders, assuming that the net proceeds of the offering are \$279,750,000 (before taking into account estimated offering expenses payable by EMJ, as set forth under Use of Proceeds in the public offering preliminary prospectus). For purposes of the following table, we have assumed the following four different potential public offering price scenarios: (1) \$14.00 per share, the low end of the range described on the cover of the public offering preliminary prospectus, (2) \$15.00 per share, the mid-point of the range described on the cover of the public offering preliminary prospectus, (3) \$16.00 per share, the high end of the range described on the cover of the public offering preliminary prospectus, and (4) \$7.00 per share, the lowest price permitted under the merger agreement.

Shares of EMJ Common Stock Issued in the Merger and Financial Restructuring					
Per Share Merger Consideration		EMJ Common Stock Ownership			
Shares of EMJ Common Stock	Cash	Aggregate Shares Issued	Shares Issued to Employees(1)	Employees % Ownership(2)	
<i>Offering price of \$14.00 per share; net proceeds of \$279,750,000</i>					
Common stock	1.00	\$	14,132,938(3)	2,542,610	6.5%
Series A preferred stock	9.18	688.21	528,304	303,231	0.8%
Series B preferred stock	11.24	842.70	313,279	313,042	0.8%
Holding notes		216,631,383(4)	2,888,424(4)		
<i>Offering price of \$15.00 per share; net proceeds of \$279,750,000</i>					
Common stock	1.00	\$	14,133,078(3)	2,542,610	6.8%
Series A preferred stock	8.56	688.21	493,083	283,016	0.8%
Series B preferred stock	10.49	842.70	292,394	292,173	0.8%
Holding notes		216,631,383(4)	2,695,862(4)		
<i>Offering price of \$16.00 per share; net proceeds of \$279,750,000</i>					
Common stock	1.00	\$	14,133,201(3)	2,542,610	7.0%
Series A preferred stock	8.03	688.21	462,266	265,327	0.7%
Series B preferred stock	9.83	842.70	274,120	273,912	0.8%
Holding notes		216,631,383(4)	2,527,371(4)		
<i>Offering price of \$7.00 per share; net proceeds of \$279,750,000</i>					
Common stock	1.00	\$	14,130,840(3)	2,542,610	4.0%
Series A preferred stock	18.35	688.21	1,056,607	606,462	0.9%
Series B preferred stock	22.47	842.70	626,559	626,085	1.0%
Holding notes		216,631,383(4)	5,776,848(4)		

- (1) Represents shares of EMJ common stock expected to be issued directly to employees and to the stock bonus plan upon conversion of the Holding capital stock.
- (2) Employee percentage ownership was calculated based on 39,291,517 shares of EMJ common stock at \$14.00 per share, 37,614,418 shares of EMJ common stock at \$15.00 per share, 36,146,957 shares of EMJ common stock at \$16.00 per share and 64,447,997 shares of EMJ common stock at \$7.00 per share, expected to be outstanding upon completion of the merger and financial restructuring and the public offering. In each case, the number of shares of EMJ common stock issued does not include 3,103,668 shares of EMJ common stock issuable upon the exercise of stock options that are expected to be outstanding at closing and 2,461,547 shares of EMJ common stock that are reserved for issuance to the stock bonus plan pursuant to Holding's obligation to make a special contribution to the stock bonus plan, as described under Q: HOW DOES THE AMENDED CONSENT ORDER AND RELEASE ENTERED INTO BY HOLDING, THE STOCK BONUS PLAN AND THE DEPARTMENT OF LABOR AFFECT THE MERGER AND FINANCIAL RESTRUCTURING?
- (3) Represents shares issued as merger and exchange consideration for the Holding common stock and warrants.

- (4) Represents the aggregate number of shares of EMJ common stock and cash consideration that would be received by the holder of the Holding notes upon exchange of the Holding notes.

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Table of Contents**Q: HOW WILL THE AMOUNT OF NET PROCEEDS OF THE PUBLIC OFFERING AFFECT THE MERGER CONSIDERATION?**

A: We have assumed for purposes of the disclosure in this proxy statement/prospectus that the public offering will yield net proceeds of \$279,750,000 (before taking into account estimated offering expenses payable by EMJ, as set forth under "Use of Proceeds" in the public offering preliminary prospectus), based on a public offering price of \$15.00, the mid-point of the range described on the cover of the public offering preliminary prospectus and 20,000,000 shares of EMJ common stock being sold in the public offering, described on the cover of the public offering preliminary prospectus. If the net proceeds are greater than \$279,750,000, we will pay more cash and, if the public offering price is the same as the mid-point of the range set forth on the cover of the public offering preliminary prospectus, issue fewer shares to the holders of the series A preferred stock, the series B preferred stock and the Holding notes. Conversely, if the net proceeds are less than \$279,750,000, we will pay less cash and, if the public offering price is the same as the mid-point of the range set forth on the cover of the public offering preliminary prospectus, issue more shares to the holders of the series A preferred stock, the series B preferred stock and Holding notes.

The following table illustrates how the changes in the net proceeds of the public offering will affect the number of shares issued to the Holding securityholders, assuming that the price at which shares are sold in the offering is \$15.00. For purposes of the following table, we have assumed four different potential scenarios, for the net proceeds received by EMJ in the public offering: (1) \$279,750,000 of net proceeds, the estimated net proceeds (before taking into account estimated offering expenses payable by EMJ) as set forth under "Use of Proceeds" in the public offering preliminary prospectus, (2) \$325,000,000 of net proceeds, (3) \$225,000,000 of net proceeds, and (4) \$100,000,000 of net proceeds, the minimum net proceeds required by the merger agreement.

**Shares of EMJ Common Stock to be Issued in the Merger and Financial
Restructuring**

	Per Share Merger Consideration		EMJ Common Stock Ownership		
	Shares of EMJ Common Stock	Cash	Aggregate Shares Issued	Shares Issued to Employees(1)	Employees % Ownership(2)
<i>Net Proceeds of \$279,750,000</i>					
Common stock	1.00	\$	14,133,078(3)	2,542,610(3)	6.8%
Series A preferred stock	8.56	688.21	493,083	283,013	0.8%
Series B preferred stock	10.49	842.70	292,394	292,176	0.8%
Holding notes		216,631,383(4)	2,695,862(4)		
<i>Net Proceeds of \$325,000,000</i>					
Common stock	1.00	\$	14,133,078(3)	2,542,610(3)	6.7%
Series A preferred stock	1.14	799.53	65,815	37,776	0.1%
Series B preferred stock	1.40	979.00	39,027	38,998	0.1%
Holding notes		251,671,848(4)	359,831(4)		
<i>Net Proceeds of \$225,000,000</i>					
Common stock	1.00	\$	14,133,078(3)	2,542,610(3)	6.8%
Series A preferred stock	17.54	553.52	1,010,055	579,743	1.6%
Series B preferred stock	21.48	677.77	598,954	598,501	1.6%
Holding Notes		174,234,357(4)	5,522,331(4)		
<i>Net Proceeds of \$100,000,000</i>					
Common stock	1.00	\$	14,133,078(3)	2,542,610(3)	6.9%
Series A preferred stock	38.04	246.01	2,190,356	1,257,202	3.4%
Series B preferred stock	46.58	301.23	1,298,862	1,297,879	3.5%

<u>Holding Notes</u>	77,437,492(4)	11,975,455(4)
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- (1) Represents shares of EMJ common stock expected to be issued directly to employees and to the stock bonus plan upon conversion of the Holding capital stock.

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- (2) Employee percentage ownership was calculated based on 37,614,418 shares of EMJ common stock and net proceeds of \$279,750,000, 37,832,783 shares of EMJ common stock and net proceeds of \$325,000,000, 37,350,209 shares of EMJ common stock and net proceeds of \$225,000,000 and 36,746,992 shares of EMJ common stock and net proceeds of \$100,000,000, expected to be outstanding upon completion of the merger and financial restructuring and the public offering. In each case, the number of shares of EMJ common stock issued does not include 3,103,668 shares of EMJ common stock issuable upon the exercise of stock options that are expected to be outstanding at closing and 2,461,547 shares of EMJ common stock that are reserved for issuance to the stock bonus plan pursuant to Holding's obligation to make a special contribution to the stock bonus plan as described under Q: HOW DOES THE AMENDED CONSENT ORDER AND RELEASE ENTERED INTO BY HOLDING, THE STOCK BONUS PLAN AND THE DEPARTMENT OF LABOR AFFECT THE MERGER AND FINANCIAL RESTRUCTURING?
- (3) Represents shares issued as merger and exchange consideration for the Holding common stock and warrants.
- (4) Represents the aggregate number of shares of EMJ common stock and cash consideration and number of shares of EMJ common stock that would be received by the holder of the Holding notes upon exchange of the Holding notes.

Q: WHAT WILL THE KELSO FUNDS AND OTHER KELSO AFFILIATES, THE STOCK BONUS PLAN, AND THE OTHER STOCKHOLDERS OF HOLDING RECEIVE IN THE MERGER AND FINANCIAL RESTRUCTURING?

A: Assuming for the purposes of the disclosure in this proxy statement/prospectus that the public offering price will be \$15.00 per share of EMJ common stock, the mid-point of the range described on the cover of the public offering preliminary prospectus, and that the net proceeds of the public offering applied to the payment of the cash portion of the merger and exchange consideration will be \$279,750,000 (before taking into account estimated offering expenses payable by EMJ, as set forth under Use of Proceeds in the public offering preliminary prospectus), the following table provides specific information regarding the cash and the number of shares of EMJ common stock to be received as merger or exchange consideration by the Kelso funds and other Kelso affiliates, the stock bonus plan and other stockholders of Holding who are not affiliated with Kelso, after giving effect to the merger and financial restructuring and the public offering, with respect to each component of the debt and equity securities of Holding held by such parties prior to the merger and financial restructuring. See also Security Ownership of Certain Beneficial Owners and Management at pages 150-152.

	Number of Shares of Holding stock or Cash Value of Holding Notes(1)	Merger and Exchange Consideration	
		Cash	Shares of EMJ Common Stock
<i>Kelso Funds and Other Kelso Affiliates</i>			
Holding notes	\$ 257,069,318	\$ 216,631,383	2,695,862
Series A preferred stock	24,519	16,874,467	209,994
Holding common stock	8,259,799		8,259,799
Holding warrants	2,937,915		2,935,956
Total		\$ 233,505,850	14,101,611
<i>Stock Bonus Plan</i>			
Series A preferred stock	32,889	\$ 22,634,699	281,677
Series B preferred stock	27,861	23,478,130	292,173
Holding common stock(2)	2,454,119		2,454,119
Total		\$ 46,112,829	3,027,969
<i>Other Stockholders of Holding</i>			
Series A preferred stock	165	\$ 113,535	1,413

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Series B preferred stock	21	17,786	221
Holding common stock	483,204(3)		483,204(3)
		<u> </u>	<u> </u>
Total		\$ 131,321	484,838

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- (1) Represents the aggregate principal amount of Holding notes, number of shares of Holding capital stock and number of shares of Holding stock underlying warrants held by the applicable holder.
- (2) The holdings of the stock bonus plan are as of the date of this proxy statement/prospectus, without giving effect to the up to 2,461,547 shares of common stock to be contributed to the stock bonus plan pursuant to Holding's obligation to make a special contribution to the stock bonus plan.
- (3) Excludes shares issuable upon the exercise of 3,103,668 options to purchase EMJ common stock that are expected to be outstanding at closing.

Q: WHAT WILL THE RELATIVE OWNERSHIP INTERESTS OF THE KELSO FUNDS AND OTHER KELSO AFFILIATES, THE STOCK BONUS PLAN AND THE OTHER STOCKHOLDERS THAT ARE NOT AFFILIATED WITH KELSO BE AFTER CONSUMMATION OF THE MERGER AND FINANCIAL RESTRUCTURING AND THE PUBLIC OFFERING?

A: Assuming for the purposes of the disclosure in this proxy statement/prospectus that the public offering price will be \$15.00 per share of EMJ common stock, the mid-point of the range described on the cover of the public offering preliminary prospectus, and that the net proceeds of the public offering applied to the payment of the cash portion of the merger and exchange consideration will be \$279,750,000 (before taking into account estimated offering expenses payable by EMJ, as set forth under Use of Proceeds in the public offering preliminary prospectus), the following table provides specific information regarding the number of shares of EMJ common stock and the relative percentage ownership of EMJ common stock held by the Kelso funds and other Kelso affiliates, the stock bonus plan and other stockholders of Holding who are not affiliated with Kelso, after giving effect to the merger and financial restructuring and the public offering, compared to the debt and equity securities of Holding held by such parties prior to the merger and financial restructuring. See also Security Ownership of Certain Beneficial Owners and Management at pages 150-152.

Holding	Prior to Merger and Financial Restructuring and Offering					After Merger and Financial Restructuring and Offering	
	Common Stock and Warrants	Holding Notes	Series A	Series B	Percentage of Holding Common Stock(1)	EMJ Common Stock	Percentage of EMJ Common Stock(2)
			Preferred Stock	Preferred Stock			
Kelso Funds and other Kelso affiliates	11,197,714	\$ 257,069,318	24,519		79.2%	14,101,611	37.5%
Stock Bonus Plan(3)	2,454,119		32,889	27,861	17.4%	3,027,969	8.0%
Other stockholders of Holding or EMJ(4)	483,204		165	21	3.4%	20,484,838	54.5%

- (1) The percentage of Holding common stock was calculated including shares issuable upon the exercise of warrants and excluding shares issuable upon the exercise of 3,053,668 options to purchase Holding common stock and up to 2,461,547 shares of Holding common stock to be contributed to the stock bonus plan pursuant to Holding's obligation to make a special contribution to the stock bonus plan.
- (2) The percentage of EMJ common stock was calculated including shares issued in the merger and financial restructuring and the public offering and excluding shares issuable upon the exercise of 3,103,668 options to purchase EMJ common stock that are expected to be outstanding at closing and up to 2,461,547 shares of Holding common stock to be contributed to the stock bonus plan pursuant to Holding's obligation to make a special contribution to the stock bonus plan.
- (3) The holdings of the stock bonus plan are as of the date of this proxy statement/prospectus, without giving effect to the up to 2,461,547 shares of common stock to be contributed to the stock bonus plan pursuant to Holding's obligation to make a special contribution to the stock bonus plan.
- (4) The Other stockholders of Holding or EMJ are all stockholders other than the Kelso funds and other Kelso affiliates and the stock bonus plan. The columns showing ownership of shares of EMJ common stock after the merger and financial restructuring includes the shares of EMJ common stock to be issued in the initial public offering. The holdings do not include shares issuable upon the exercise of stock options of Holding or EMJ, as applicable.

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Q: HOW WILL SHARES OF EMJ COMMON STOCK BE VALUED FOLLOWING THE MERGER AND FINANCIAL RESTRUCTURING?

A: Following the consummation of the merger and financial restructuring and the public offering, EMJ will cease obtaining appraisals for its common stock and the value of shares of EMJ common stock will be established by trading on the New York Stock Exchange. All of the shares of EMJ common stock issued in connection with the merger and financial restructuring and the public offering will be registered under the Securities Act of 1933, as amended, or the Securities Act, in accordance with this registration statement and the registration statement on Form S-1 filed in connection with the public offering and listed for trading on the New York Stock Exchange under the trading symbol JOR. This means the shares issued pursuant to the merger and financial restructuring and public offering transactions will be freely tradable without restriction or further registration under the Securities Act, unless held by an affiliate as that term is defined in Rule 144 under the Securities Act or subject to the terms of certain lock-up agreements, transfer restriction agreements or restrictions on transfer contained in the stock bonus plan. See Material Provisions of the Merger Agreement and Exchange Agreement Federal Securities Law Consequences at page 91, Transfer Restrictions Lock-up Agreements at page 91, Transfer Restrictions Transfer Restriction Agreements at page 92, Comparison of Securities and Stockholder Rights at page 98 and Transfer Restrictions Stock Bonus Plan Restrictions at page 92. The underwriters in the public offering have informed us that they intend to make a market in EMJ common stock. However, the underwriters are not obliged to make a market in EMJ common stock and any market-making may be discontinued at anytime without prior notice. Therefore, an active trading market for EMJ common stock may not develop or, if it does develop, may not continue. As a result, the market price for EMJ common stock, as well as your ability to sell EMJ common stock, could be adversely affected. Therefore, you should not view the public offering price as any indication of the prices that will prevail in the trading market.

Pursuant to Section 262 of the Delaware General Corporation Law, any holder of any class of Holding capital stock that does not wish to accept the merger consideration may dissent from the merger and financial restructuring and elect to have the fair value of such stockholder's shares of Holding capital stock (exclusive of any element of value arising from the accomplishment or expectation of the merger and financial restructuring) judicially determined and paid to the stockholder in cash, together with the fair rate of interest. See Q: WHAT RIGHTS DO I HAVE IF I OPPOSE THE MERGER AND FINANCIAL RESTRUCTURING at page QA-16.

Q: WHO IS ELIGIBLE TO VOTE ON THE MERGER AND FINANCIAL RESTRUCTURING?

A: Each holder of record of the common stock, series A preferred stock and series B preferred stock of Holding as of March 1, 2005, the record date, is eligible to vote. Each such holder will have one vote for each share of capital stock owned by him, her or it. Holding's stock bonus plan is the record owner of certain shares of common stock, series A preferred stock and series B preferred stock. Each participant in Holding's stock bonus plan will be entitled to instruct the trustee of the stock bonus plan how to vote the shares of Holding common stock, series A preferred stock and series B preferred stock allocated to the participant's account.

Q: IF I OWN SHARES OF SERIES A PREFERRED STOCK AND SHARES OF COMMON STOCK OR SERIES B PREFERRED STOCK, EITHER DIRECTLY OR AS A PARTICIPANT IN HOLDING'S STOCK BONUS PLAN, WHAT WILL I RECEIVE WITH RESPECT TO THE VOTING OF MY SHARES?

A: If you own shares of Holding's series A preferred stock directly, you will receive a yellow proxy card to vote your shares. If you own shares of Holding's common stock or series B preferred stock directly, you will receive a white proxy card to vote your shares. If you own shares of series A preferred stock and shares of either common stock or series B preferred stock, directly, you will receive two proxy cards, one yellow proxy card to vote your shares of series A preferred stock, and one white proxy card to vote your shares of common stock and/or series B preferred stock. UNLESS VOTING BY INTERNET, BY TELEPHONE OR IN PERSON, TO HAVE ALL OF YOUR SHARES OF SERIES A PREFERRED STOCK AND SHARES OF COMMON STOCK AND/OR SERIES B PREFERRED STOCK VOTED, YOU MUST RETURN

BOTH THE YELLOW PROXY CARD

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AND THE WHITE PROXY CARD IN ACCORDANCE WITH THE DIRECTIONS DISCUSSED BELOW. See Q: HOW DO I VOTE ON THE MERGER AND FINANCIAL RESTRUCTURING?

If you own shares of Holding's series A preferred stock as a participant in Holding's stock bonus plan, you will receive a yellow instruction card to direct the vote of your shares. If you own shares of Holding's common stock or series B preferred stock as a participant in Holding's stock bonus plan, you will receive a white instruction card to direct the vote of your shares. If you own shares of series A preferred stock and shares of either common stock or series B preferred stock as a participant in Holding's stock bonus plan, you will receive two instruction cards, one yellow instruction card to vote your shares of series A preferred stock, and one white instruction card to vote your shares of common stock and/or series B preferred stock. **UNLESS VOTING BY INTERNET, BY TELEPHONE OR IN PERSON, TO HAVE ALL OF YOUR SHARES OF SERIES A PREFERRED STOCK AND SHARES OF COMMON STOCK AND/OR SERIES B PREFERRED STOCK VOTED, YOU MUST RETURN BOTH THE YELLOW INSTRUCTION CARD AND THE WHITE INSTRUCTION CARD IN ACCORDANCE WITH THE DIRECTIONS DISCUSSED BELOW. See Q: HOW DO I VOTE ON THE MERGER AND FINANCIAL RESTRUCTURING?**

Q: HOW DO I VOTE ON THE MERGER AND FINANCIAL RESTRUCTURING?

A: If you own your shares of Holding capital stock directly (i.e., not through the stock bonus plan), you may use the enclosed proxy card(s) to vote. Just indicate on your proxy card(s) how you want to vote, sign your proxy card(s) and mail it in the enclosed postage-paid envelope as soon as possible so that your shares of capital stock will be represented at the special meeting. Your proxy must be received by Holding c/o American Stock Transfer & Trust Company, or AST, not later than the day prior to the special meeting. You may attend the special meeting and vote your shares of capital stock in person, rather than voting by proxy. Stockholders of record can also vote by telephone or on the Internet. If you are a stockholder of record, please refer to your proxy card(s). Each such stockholder may vote by calling the toll-free telephone number noted on the proxy cards (available to stockholders within the United States only) or by accessing the website for Internet voting noted on the proxy cards. Telephone and Internet voting are available 24 hours a day and will be accessible until 11:59 p.m. (Eastern Time) on April 12, 2005. **IF YOU VOTE BY TELEPHONE OR ON THE INTERNET, YOU DO NOT NEED TO RETURN YOUR PROXY CARD(S).** See The Special Meeting Proxies, Voting and Revocation at page 79.

Shares of series A preferred stock, series B preferred stock and/or common stock represented at the special meeting by properly executed proxies received prior to or at the special meeting, and not revoked, will be voted at the special meeting, and at any adjournments or postponements of that meeting, in accordance with the instructions on those proxies. If a proxy is duly executed and submitted without voting instructions or fails to vote on one or more of the proposals referenced on the proxy card, the shares of series A preferred stock, series B preferred stock and/or common stock represented by that proxy will be voted **FOR** the approval of the merger agreement and the merger and financial restructuring. If you vote your shares against the merger or financial restructuring pursuant to the terms of the merger agreement, but failed to give instructions on adjournment the proxy holder cannot exercise discretion to vote in favor of the adjournment or postponement of the special stockholders meeting, if an adjournment or postponement is sought to obtain additional votes to approve the merger.

If you are a participant in Holding's stock bonus plan, you are entitled to instruct the trustee as to how to vote the capital stock of Holding held in your stock bonus plan account. You have been provided with instruction card(s) to instruct the trustee how to vote. You should indicate on your instruction card(s) how you want your shares to be voted and mail the instruction card(s) in the enclosed postage paid envelope to the trustee of Holding's stock bonus plan. It must be received by the trustee c/o AST not later than two days prior to the special meeting. Participants in Holding's stock bonus plan can also instruct the trustee by telephone or on the Internet. If you are a participant in Holding's stock bonus plan, please refer to your instruction card(s). Each participant may instruct the trustee by calling the toll-free telephone number noted on the instruction card(s) (available to participants within the United States only) or by accessing the website for providing instructions via the Internet

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noted on the instruction card(s). Providing instructions by telephone or the Internet may be accomplished 24 hours a day and will be accessible until 11:59 p.m. (Eastern Time) on April 11, 2005, two days prior to the date of the special meeting. IF YOU INSTRUCT THE TRUSTEE BY TELEPHONE OR ON THE INTERNET, YOU DO NOT NEED TO RETURN YOUR INSTRUCTION CARD(S). See The Special Meeting Participants in Holding's Stock Bonus Plan at page 78.

If you are a participant in the stock bonus plan and your capital stock has not been allocated to a rollover account and you fail to validly deliver the instruction card(s) to the trustee c/o AST as to how those shares are to be voted or fail to instruct the trustee c/o AST concerning the proposal referenced on the instruction card(s), the trustee will vote those shares for the adoption and approval of the merger agreement and the merger and financial restructuring as directed by the benefits committee.

Q: WHAT VOTE IS REQUIRED TO APPROVE THE MERGER AND FINANCIAL RESTRUCTURING?

A: The approval of the merger and financial restructuring will require:

the approval of a majority of the issued and outstanding shares of Holding's common stock and series B preferred stock, voting together as a class;

the approval of a majority of the issued and outstanding shares of Holding's series A preferred stock, voting separately as a class;

the approval of a majority of the issued and outstanding shares of Holding's common stock and series B preferred stock, voting together as a class, but excluding shares of such stock owned by the Kelso funds and other Kelso affiliates; and

the approval of a majority of the issued and outstanding shares of Holding's series A preferred stock, voting separately as a class, but excluding shares of such stock owned by the Kelso funds and other Kelso affiliates.

As of the record date, Kelso and its affiliates, including one of our directors, held an aggregate of 8,259,799 shares of Holding common stock, which represented 73.8% of the issued and outstanding shares of common stock and 73.6% of the issued and outstanding shares of Holding common stock and series B preferred stock, and KIA I held 24,519 shares of Holding's series A preferred stock, which represented 42.6% of Holding's issued and outstanding shares of series A preferred stock. Each of the Kelso funds has agreed to vote all of the Holding common stock and series A preferred stock owned by it in favor of the merger and financial restructuring. Therefore, as a practical matter, the determination of whether or not the merger and financial restructuring is approved will turn on the vote of the stockholders other than Kelso and its affiliates.

Q: WHAT IF I DO NOT CAST A VOTE?

A: If you own shares directly, the failure to vote those shares or an abstention will have the same effect as a vote against the merger and financial restructuring.

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If you are a participant in the stock bonus plan and your capital stock has been allocated to a rollover account and you fail to direct the trustee as to how those shares are to be voted, the trustee will not vote those shares. This will have the same effect as a vote against the merger and financial restructuring.

If you are a participant in the stock bonus plan and your capital stock has not been allocated to a rollover account and you fail to direct the trustee as to how those shares are to be voted, the trustee will vote those shares at the direction of the benefits committee in favor of the merger and financial restructuring.

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Q: HOW CAN I CHANGE MY VOTE?

A: If you own your shares directly, you may revoke your proxy. A proxy may be revoked by the person who executed it at, or before, the special meeting by: (1) delivering to American Stock Transfer & Trust Company a written notice of revocation of a previously-delivered proxy bearing a later date than the proxy; (2) duly executing, dating and delivering to American Stock Transfer & Trust Company a subsequent proxy; or (3) attending the special meeting and voting in person. Attendance at the special meeting will not, in and of itself, constitute revocation of a proxy. In addition, if you voted by telephone or the Internet and you desire to revoke your proxy or change your vote, you may revoke your proxy or recast your vote by telephone or via the Internet at any time 24 hours a day until 11:59 p.m. (Eastern time) on April 12, 2005.

If you are a participant in Holding's stock bonus plan, you must notify the trustee of Holding's stock bonus plan if you desire to change the instructions you gave the trustee of Holding's stock bonus plan with respect to the voting of the shares held in your stock bonus plan account, and you may do so by submitting a new instruction card(s), which must be received by the trustee, c/o American Stock Transfer & Trust Company, prior to 11:59 p.m. (Eastern time) on April 11, 2005, two days prior to the special meeting. In addition, if you instructed the trustee of the stock bonus plan with respect to the voting of the shares held in your stock bonus plan account by telephone or the Internet and you desire to revoke or change those instructions, you may revoke or change your instructions by telephone or via the Internet at any time 24 hours a day until 11:59 p.m. (Eastern time) on April 11, 2005, two days prior to the date of the special meeting.

To get a new proxy or instruction card, you must call Holding's corporate secretary, William S. Johnson, at (323) 567-1122.

Q: WHAT IF I RECEIVE MORE THAN ONE PROXY CARD OR INSTRUCTION CARD?

A: This may mean your Holding shares are registered in different ways (for example you own Holding stock directly and through the stock bonus plan), you own both series A preferred stock and series B preferred stock or common stock, or your shares are in more than one account. Please provide voting instructions for all proxy cards and instruction cards you receive to ensure that all of your Holding shares are voted at the special meeting. See **Q: IF I OWN SHARES OF SERIES A PREFERRED STOCK AND SHARES OF COMMON STOCK OR SERIES B PREFERRED STOCK, EITHER DIRECTLY OR AS A PARTICIPANT IN HOLDING'S STOCK BONUS PLAN, WHAT WILL I RECEIVE WITH RESPECT TO THE VOTING OF MY SHARES?**

Q: WHAT ARE THE PRINCIPAL NEGATIVE CONSEQUENCES OF THE MERGER AND FINANCIAL RESTRUCTURING?

A: As a result of the merger and financial restructuring and the public offering, Holding stockholders will lose certain rights and benefits that they currently have:

Series A preferred stockholders will lose:

the preference that they have over the series B preferred stock and the common stock with respect to dividends and the proceeds of a liquidation, including a sale transaction;

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the right to receive dividends at the rate of 18% per annum, which dividends are not paid on a current basis and can only be realized upon the exercise of put rights on termination of employment, diversification of a participant's account in accordance with the terms of the stock bonus plan or upon a liquidation, including a sale of Holding;

certain class voting rights that enable the holders of a majority of the series A preferred stock to block a transaction, such as a sale transaction, that adversely affects their rights; and

the right of the holders of a majority of the series A preferred stock to elect one member of the Holding board of directors.

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Series B stockholders will lose:

the preference that they have over the common stock with respect to dividends and the proceeds of a liquidation, including a sale transaction; and

the right to receive dividends at the current rate of 15½% per annum, which dividends are paid in additional shares of series B preferred stock and can only be realized upon the exercise of put rights on termination of employment, diversification of a participant's account in accordance with the terms of the stock bonus plan or upon a liquidation, including a sale of Holding.

Holders of common stock will suffer significant dilution of their voting power. In addition, upon consummation of the merger and financial restructuring and the public offering, the Holding stockholders agreement will terminate, including the right of the employee common stockholders to appoint two members of the board of directors pursuant to that agreement.

For more detail see Risk Factors beginning on page 21 and Additional Summary Information Comparison of Securities and Stockholder Rights beginning on page 3.

Q: WHAT STEPS DID THE SPECIAL COMMITTEE AND HOLDING'S BOARD OF DIRECTORS TAKE TO DETERMINE THAT THE PRICE PER SHARE I WILL RECEIVE IN THE PROPOSED MERGER AND FINANCIAL RESTRUCTURING IS FAIR TO ME FROM A FINANCIAL POINT OF VIEW?

A: The special committee engaged Wachovia Capital Markets, LLC, or Wachovia Securities, as its financial advisor to assist it in connection with a potential merger and financial restructuring of Holding, and Wachovia Securities has provided a written opinion addressed to the special committee that, as of December 16, 2004, and subject to and based upon assumptions made, procedures followed, matters considered and limitations of the review undertaken, the aggregate consideration to be received by the stockholders of Holding, other than Kelso and its affiliates, in connection with the merger and financial restructuring pursuant to the merger agreement is fair from a financial point of view to such stockholders of Holding. The fairness opinion of Wachovia Securities compares the value of the cash and new EMJ common stock to be received in the merger and financial restructuring to the value of the Holding common stock, series A preferred stock and series B preferred stock owned by the stockholders, other than Kelso and its affiliates, prior to consummation of the transaction. Wachovia Securities performed its valuation analysis in support of its fairness opinion as of December 16, 2004, using current financial information for Holding and EMJ and other available industry information. At the request of the special committee and the board of directors of Holding, Wachovia Securities updated its valuation analysis in support of its fairness opinion as of March 1, 2005 using current financial information for Holding and EMJ and other available industry information and made a further report to the special committee and the Holding board of directors on March 3, 2005. The special committee and the board of directors of Holding determined that an updated analysis, and not a new fairness opinion, would be sufficient at this time in light of the required delivery of an updated fairness opinion immediately prior to the special meeting of stockholders. Delivery of an updated fairness opinion by Wachovia Securities immediately prior to the special meeting of stockholders, using current financial information of Holding and EMJ and other available industry information and reaching the same conclusion as to fairness of the transaction as the December 16, 2004 opinion, is a condition to closing that cannot be waived by Holding. For a more detailed discussion of the reasons for the determination of the special committee and Holding's board of directors, see the discussions beginning on pages 52 and 55, respectively. For a more detailed discussion of the Wachovia Securities fairness opinion, see the discussions beginning on page 58.

Q: WHAT STEPS DID THE BENEFITS COMMITTEE TAKE ON BEHALF OF THE STOCK BONUS PLAN TO EVALUATE THE PROPOSED MERGER AND FINANCIAL RESTRUCTURING?

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A: The benefits committee engaged Duff & Phelps, LLC, or Duff & Phelps, as its financial advisor to assist it in connection with a potential merger and financial restructuring of Holding, and Duff & Phelps has provided a written opinion addressed to the benefits committee that, as of December 16, 2004, and subject to and based upon assumptions made, procedures followed, matters considered and limitations of the review undertaken, (1) the aggregate consideration to be received by the stock bonus plan in connection with the merger and financial restructuring of Holding and its subsidiaries and the public offering is fair to the stock bonus plan and its

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participants from a financial point of view, and (2) the consideration to be received by the stock bonus plan pursuant to the merger agreement in exchange for the (a) series A preferred stock, (b) series B preferred stock and (c) Holding common stock, considered independently in each case, is not less than the respective fair market value of such securities. The fairness opinion of Duff & Phelps compares the value of the cash and new EMJ common stock to be received in the merger and financial restructuring to the value of each of the Holding securities owned by the stock bonus plan and the participants prior to the proposed transaction. Duff & Phelps performed its valuation analysis in support of its fairness opinion as of December 16, 2004, using current financial information for Holding and EMJ and other available industry information. At the request of the benefits committee, Duff & Phelps updated its valuation analysis in support of its fairness opinion as of March 2, 2005 using current financial information for Holding and EMJ and other available industry information and made a further report to the benefits committee, the special committee and the Holding board of directors on March 3, 2005. The benefits committee determined that an updated analysis, and not a new fairness opinion, would be sufficient at this time in light of the required delivery of an updated fairness opinion immediately prior to the special meeting of stockholders. Delivery of an updated fairness opinion by Duff & Phelps immediately prior to the special meeting of stockholders, using current financial information of Holding and EMJ and other available industry information and reaching the same conclusion as to fairness of the transaction as the December 16, 2004 opinion, is a condition to closing that cannot be waived by Holding. For a more detailed discussion of the Duff & Phelps fairness opinion, see the discussions beginning on page 68.

Based on all of the information available to them, including their familiarity with EMJ, its business, financial condition and prospects, the fairness opinion, presentation and analyses provided by Duff & Phelps and management's projections for EMJ's next fiscal year, the members of the benefits committee determined in good faith that the stock bonus plan would receive not less than the fair market value for each class of Holding's equity securities converted into cash and/or EMJ common stock in the merger and financial restructuring.

Q: WHAT ARE THE TAX CONSEQUENCES OF THE MERGER AND FINANCIAL RESTRUCTURING TO ME?

A: If the merger is completed, the conversion of shares of Holding common stock by Holding stockholders into shares of EMJ common stock should generally be a nontaxable transaction for federal income tax purposes for Holding common stockholders. The conversion of series A preferred stock and series B preferred stock into cash and shares of EMJ common stock will generally cause a Holding stockholder (other than the stock bonus plan) to recognize gain, if any, to the extent of the cash received, but not a loss, for federal income tax purposes. If your Holding shares are held in the stock bonus plan the conversion of the shares will be a nontaxable transaction for federal income tax purposes. To review the tax consequences of the merger and financial restructuring in greater detail, see Material Federal Income Tax Consequences beginning on page 106. Your tax consequences will depend on your personal situation. You should contact your own tax advisors for a full understanding of the applicable federal, state, local, foreign, and other tax consequences to you resulting from the merger and financial restructuring.

Q: WHAT RIGHTS DO I HAVE IF I OPPOSE THE MERGER AND FINANCIAL RESTRUCTURING?

A: In addition to voting against the merger and financial restructuring, under Section 262 of the Delaware General Corporation Law, any holder of any class or series of Holding capital stock who does not wish to accept the merger consideration may dissent from the merger and financial restructuring and elect to have the fair value of such stockholder's shares of Holding capital stock (exclusive of any element of value arising from the accomplishment or expectation of the merger and financial restructuring) judicially determined and paid to the stockholder in cash, together with the fair rate of interest, if any, provided that the stockholder complies with Section 262 of the Delaware General Corporation Law. A participant in the stock bonus plan who wishes to have the trustee exercise appraisal rights must request in writing that the trustee exercise such rights on the participant's behalf if the participant elects to exercise such rights in lieu of voting for the merger and financial restructuring and receiving the applicable merger consideration. Requests for the trustee to exercise appraisal rights should be sent to Wells Fargo Bank, N.A., Institutional Trust Group, 707 Wilshire Boulevard, 10th Floor, MAC #2818-101, Los Angeles, CA 90017, Attention: Indra Sharma. The trustee has advised us that when a participant requests the trustee to exercise appraisal rights, the trustee will exercise such rights. If, however, you

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have failed to perfect or have effectively withdrawn or lost your right to appraisal and payment under Delaware law, your shares will be deemed to have been converted, as of the effective time of the merger and financial restructuring, into the right to receive the merger consideration and your shares will no longer be dissenting shares. The procedures for exercising dissenters' rights are described under "Appraisal Rights" on pages 88-91.

Q: WHEN DO YOU EXPECT THE MERGER AND FINANCIAL RESTRUCTURING TO BE COMPLETED?

A: We intend to complete the merger and financial restructuring as soon as possible after the special meeting and at the same time as completion of the public offering of EMJ common stock, which we expect will be three or four business days after the special meeting. However, because we do not know exactly when the public offering will be completed and because we must satisfy other conditions before we can close the merger and financial restructuring, we cannot predict exactly when we will close the merger and financial restructuring.

Q: IF THE MERGER AND FINANCIAL RESTRUCTURING IS COMPLETED, WHEN CAN I EXPECT TO RECEIVE THE MERGER CONSIDERATION FOR MY SHARES OF HOLDING STOCK?

A: Promptly after the merger and financial restructuring is completed, each record owner will receive detailed instructions from American Stock Transfer & Trust Company, our exchange/paying agent, regarding the surrender of your stock certificates in exchange for the merger consideration in the form of cash and/or shares of EMJ common stock. You should not send your stock certificates to us or anyone else until you receive those detailed instructions. The stock bonus plan trustee will take all necessary action to exchange the share certificates issued in the name of the stock bonus plan.

Q: WHAT WILL HAPPEN TO MY SHARES OF HOLDING STOCK AFTER THE MERGER AND FINANCIAL RESTRUCTURING?

A: After completion of the merger and financial restructuring, each of your shares of Holding capital stock will represent solely the right to receive the applicable merger consideration in the form of cash and/or shares of EMJ's common stock. The EMJ common stock will be listed for trading on the New York Stock Exchange under the symbol "JOR".

Q: HOW DOES THE AMENDED CONSENT ORDER AND RELEASE ENTERED INTO BY HOLDING, THE STOCK BONUS PLAN AND THE DEPARTMENT OF LABOR AFFECT THE MERGER AND FINANCIAL RESTRUCTURING?

A: Holding, the stock bonus plan and the United States Department of Labor, or DOL, agreed to amend the consent order and release applicable to the stock bonus plan in December 2004. The amended consent order was entered on January 3, 2005. Pursuant to the amended consent order, Holding is no longer required to use the appraisal methodology followed in the past by its appraisal firm in performing the annual appraisal for the stock bonus plan, and the Holding guaranty that certain shares of common stock held by the stock bonus plan will be repurchased at a price that is not less than \$4.25 per share has been reduced to \$2.15 per share. The amended consent order provides for termination of the floor price upon consummation of a transaction such as the merger and financial restructuring.

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To offset the reduction in the appraised value of shares of Holding common stock that will result from the change in appraisal methodology, Holding committed to make contributions over the next two years to its stock bonus plan, a supplemental stock bonus plan and a special cash bonus plan. The aggregate economic effect of the Holding commitment is to issue and/or pay to each stock bonus plan participant 1.0817 additional shares of common stock (or, in certain cases where the participant is no longer employed by EMJ, its cash equivalent) with respect to each share of common stock held by the stock bonus plan. The compensating contributions will be made in the form of contributions of Holding common stock (or, after the merger and financial restructuring,

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EMJ common stock) to the stock bonus plan, the allocation of units (equivalent to a share of Holding common stock) to the accounts of certain employees in a supplemental stock bonus plan and the payment of cash bonuses to former employees of EMJ who still have shares of Holding common stock in the stock bonus plan, all in a manner that complies with the requirements of the Internal Revenue Code and the Employee Retirement Income Security Act of 1974, or ERISA.

Q: WHAT DO I NEED TO DO NOW?

A: This proxy statement/prospectus contains important information regarding the special meeting, the merger agreement and the merger and financial restructuring, as well as information about EMJ and Holding. It also contains important information about what Holding's board of directors and the special committee considered in approving the merger agreement and the merger and financial restructuring. We urge you to read this proxy statement/prospectus carefully, including its appendices, and vote your shares. You may also want to review the public offering preliminary prospectus. Please see "Where You Can Find Additional Information About Us" at page 156 for instructions if you wish to read and copy the registration statement on Form S-4 and all of its exhibits and schedules, which we filed with the Commission and which contains this proxy statement/prospectus; or if you wish to read and copy the registration statement on Form S-1 and all of its exhibits and schedules, which we filed with the Commission in connection with the public offering and which contains the public offering preliminary prospectus.

WHO CAN HELP ANSWER YOUR QUESTIONS

If you would like additional copies of this document, or if you would like to ask any additional questions about the merger and financial restructuring, you should contact:

Earle M. Jorgensen Company
10650 Alameda Street
Lynwood, California 90262
(323) 567-1122
Attention: William S. Johnson
Vice President, Chief Financial Officer and Secretary

Katten Muchin Zavis Rosenman
2029 Century Park East, Suite 2600
Los Angeles, California 90067
(310) 788-4690
Attention: Mark A. Conley, Esq.

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THIS SUMMARY HIGHLIGHTS ONLY SOME OF THE INFORMATION IN THIS PROXY STATEMENT/PROSPECTUS AND MAY NOT CONTAIN ALL OF THE INFORMATION THAT IS IMPORTANT TO YOU. WE URGE YOU TO READ CAREFULLY THE ENTIRE DOCUMENT AND OTHER DOCUMENTS REFERRED TO IN THIS DOCUMENT TO FULLY UNDERSTAND THE MERGER AND FINANCIAL RESTRUCTURING PROPOSAL. IN PARTICULAR, YOU SHOULD READ THE DOCUMENTS ATTACHED TO THIS PROXY STATEMENT/PROSPECTUS, INCLUDING THE MERGER AGREEMENT AND THE FORM OF EARLE M. JORGENSEN COMPANY S AMENDED AND RESTATED CERTIFICATE OF INCORPORATION, WHICH ARE ATTACHED AS ANNEX A AND ANNEX C, RESPECTIVELY.

In this proxy statement/prospectus, we sometimes refer to:

Agreement and Plan of Merger and Reorganization, dated as of December 17, 2004, amended as of January 28, 2005, and further amended as of March 3, 2005, among Holding, EMJ and EMJ Metals LLC

Benefits Committee of the Board of Directors of Earle M. Jorgensen Holding Company, Inc.

Earle M. Jorgensen Company, a Delaware corporation and wholly owned subsidiary of Holding

Earle M. Jorgensen Employee Stock Ownership Plan

Earle M. Jorgensen Holding Company, Inc., a Delaware corporation

Earle M. Jorgensen Holding Company, Inc. Stock Option Plan

EMJ Metals LLC, a Delaware limited liability company and wholly owned subsidiary of EMJ, formed to effect the merger

Exchange Agreement, dated as of December 17, 2004, and amended as of March 3, 2005, among Holding, EMJ and the Kelso funds

Holding s 13% Cumulative Preferred Stock, \$.01 par value

Holding s Variable Rate Cumulative Preferred Stock, \$.01 par value

Kelso & Company, L.P.

Kelso Equity Partners II, L.P.

Kelso Investment Associates, L.P.

KIA III - Earle M. Jorgensen, L.P.

Kelso Investment Associates IV, L.P., the controlling stockholder of Holding and holder of the Holding notes

Kelso Partners I, L.P.

Kelso Partners III, L.P.

Kelso Partners IV, L.P.

KIA I, KEP II, KIA III and KIA IV collectively

Preliminary prospectus of EMJ, dated as of March , 2005, relating to EMJ s proposed initial public offering of its common stock

as:

merger agreement

benefits committee

we, us, our, EMJ or the Company

Holding s stock bonus plan or the stock bonus plan

Holding

Holding s stock option plan or the stock option plan

EMJ Metals LLC

exchange agreement

series A preferred stock

series B preferred stock

Kelso

KEP II

KIA I

KIA III

KIA IV

KP I

KP III

KP IV

Kelso funds

public offering preliminary prospectus

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In this proxy statement/prospectus, we sometimes refer to:	as:
Series A Variable Rate Notes issued by Holding to KIA IV, which are due on June 30, 2013	Holding notes
Securities and Exchange Commission	Commission
Special Committee on Recapitalization of the Board of Directors of Earle M. Jorgensen Holding Company, Inc.	special committee
United States Department of Labor	Department of Labor or DOL
United States Internal Revenue Code of 1986, as amended	Internal Revenue Code

About the Companies

Earle M. Jorgensen Company

We are a leading distributor of metal bar and tubular products used by North American manufacturing companies and have been in business for over 80 years. We purchase over 25,000 different metal products in large quantities from primary producers, including a broad mix of carbon, alloy and stainless steel and aluminum bar, tubular and plate products. We sell these metal products in smaller quantities to over 35,000 customers spanning various industries, including machine tools, industrial equipment, transportation, fluid power, oil, gas and energy, fabricated metal, construction and agricultural equipment. We distribute our broad range of metal products and provide our customers value-added metal processing and inventory management services from our distribution network of 35 strategically located service and processing centers in the United States and Canada.

Our metal processing services consist of cutting to length, burning, sawing, honing, shearing, grinding, polishing and performing other similar services on most of the metal products we sell, all to customer specifications. As part of our inventory management services, we schedule deliveries in the quantities and at the times required by just-in-time manufacturing processes employed by a growing number of leading manufacturing companies and provide our customers with an on-time product delivery guarantee.

In the 12 months ended December 31, 2004, we had revenues of \$1,474.7 million, net income of \$62.9 million and EBITDA of \$139.9 million. EBITDA is defined and discussed in footnote 4 under the heading Selected Consolidated Financial and Other Data. During fiscal 2004 and the first nine months of fiscal 2005, we handled approximately 7,900 and 8,100 sales transactions per business day, respectively, at an average sale price of approximately \$520 and \$750 per transaction, respectively.

During the past several years, we have focused our management efforts on automating and reconfiguring our facilities to increase workflow, enhancing our information management systems to improve customer service, and streamlining our management structure, reducing headcount and decreasing corporate overhead to reduce costs. We believe that our efficient operating structure enables us to achieve gross profit per employee levels that are considerably higher than those of our major competitors. From the end of fiscal 1998 to December 31, 2004, we reduced our total headcount by approximately 23% to 1,693 employees. Comparing fiscal 1998 to the 12 months ended December 31, 2004, we increased our tons shipped per employee by approximately 89% to 467 in the 12 months ended December 31, 2004 and EBITDA per employee by approximately 190% to \$84,824 in the 12 months ended December 31, 2004, based on the average number of employees in the applicable period.

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We were formed on May 3, 1990, when affiliates of Kelso & Company, L.P., a private investment firm, acquired control of and combined two leading metals distributors, Earle M. Jorgensen Company (founded in 1921) and Kilsby-Roberts Holding Co. (successor to C.A. Roberts Company, founded in 1915). In connection

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with the combination of these two companies, we became a wholly owned subsidiary of Earle M. Jorgensen Holding Company, Inc., or Holding.

Our principal executive offices are located at 10650 Alameda Street, Lynwood, California 90262, and our telephone number is (323) 567-1122.

Earle M. Jorgensen Holding Company, Inc.

Holding was formed in 1990 to be our parent company. Holding has no operations and no significant assets other than EMJ common stock. Holding has three classes of outstanding capital stock: common stock, series A preferred stock and series B preferred stock. As of the date of this proxy statement/prospectus, KIA IV, the other Kelso funds and other Kelso affiliates, including one of our directors, held 8,259,799 shares of Holding common stock, which represented 73.8% of the issued and outstanding shares of Holding common stock, and 24,519 shares of Holding series A preferred stock, which represented 42.6% of the issued and outstanding shares of Holding series A preferred stock. As of the date of this proxy statement/prospectus, KIA IV also held approximately \$257,100,000 of the Holding notes (including accrued but unpaid interest through September 29, 2004) and warrants to purchase 2,937,915 shares of Holding common stock, which represented all of the outstanding Holding notes and all of the outstanding Holding warrants. After the merger and financial restructuring, Holding will cease to exist and the noteholder and stockholders of Holding will become stockholders of EMJ. Holding is located at 10650 Alameda Street, Lynwood, California 90262. Its telephone number is (323) 567-1122.

EMJ Metals LLC

EMJ Metals LLC was formed as a wholly owned subsidiary of EMJ in order to effect the merger. Prior to the merger and financial restructuring, EMJ Metals LLC will have no assets or operations other than incident to its formation. After the merger and financial restructuring, EMJ Metals LLC will continue to be a subsidiary of EMJ. EMJ has no plans to contribute assets to EMJ Metals LLC or conduct any of its business through EMJ Metals LLC. EMJ Metals LLC is located at 10650 Alameda Street, Lynwood, California 90262. Its telephone number is (323) 567-1122.

Comparison of Securities and Stockholder Rights (Page 98)

Holding currently has three classes of equity securities the series A preferred stock, the series B preferred stock and common stock. The Holding capital stock is subordinate to approximately \$257,100,000 of indebtedness represented by the Holding notes.

As a result of the merger and financial restructuring, all of Holding's series A preferred stock, series B preferred stock and notes will be converted into or exchanged for cash and EMJ common stock and all of Holding's common stock will be converted into EMJ common stock. The holders of all of Holding's capital stock will benefit from the elimination of accruing interest on the Holding notes at the rate of 18% per annum, compounding semiannually, and the elimination of the first right of the holders of the Holding notes to receive the proceeds of any sale or other liquidation of Holding or EMJ.

As a result of the merger and financial restructuring, the former holders of the series A preferred stock will no longer be entitled to:

a fixed dividend of 18% per annum;

a preference upon liquidation over series B preferred stock and common stock;

the right to elect one member to the board of directors because dividends have not been paid; and

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the right to a class vote on certain transactions, such as a merger or sale of Holding, and changes to the terms of the series A preferred stock that would have adversely affected their rights.

However, the former holders of the series A preferred, as holders of EMJ common stock after the merger and financial restructuring, will receive the following benefits:

the right to directly participate in the increase (or decrease) in the equity value of EMJ, together with other holders of EMJ common stock; and

more liquidity with respect to shares of EMJ common stock held by the stock bonus plan and shares of EMJ common stock that are owned directly than they had with the series A preferred stock, subject to restrictions imposed by Rules 144 and 145 of the Securities Act, applicable lock-up agreements, transfer restriction agreements and limitations on the ability of participants to transfer shares of common stock held in the stock bonus plan. See *Material Provisions of the Merger Agreement and Exchange Agreement* *Federal Securities Law Consequences* at page 91, *Transfer Restrictions Lock-up Agreements* at page 91, *Transfer Restrictions Transfer Restriction Agreements* at page 92, *Comparison of Securities and Stockholder Rights* at page 98 and *Transfer Restrictions Stock Bonus Plan Restrictions* at page 92.

The holders of the series A preferred stock will also receive cash for a portion of their investment, giving them the opportunity to diversify their savings into alternative investments other than EMJ capital stock if they wish.

As a result of the merger and financial restructuring, the former holders of the series B preferred stock will no longer be entitled to:

a fixed dividend of 15 1/2% per annum; and

a preference upon liquidation over the common stock.

However, the former holders of series B preferred stock, as holders of EMJ common stock after the merger and financial restructuring, will receive the following benefits:

the right to directly participate in any increase (or decrease) in the equity value of EMJ, together with the other holders of common stock; and

more liquidity with respect to shares of EMJ common stock held by the stock bonus plan and shares of EMJ common stock that are owned directly than they had with the series B preferred stock, subject to restrictions imposed by Rules 144 and 145 of the Securities Act, applicable lock-up agreements, transfer restriction agreements and limitations on the ability of participants to transfer shares of common stock held in the stock bonus plan. See *Material Provisions of the Merger Agreement and Exchange Agreement* *Federal Securities Law Consequences* at page 91, *Comparison of Securities and Stockholder Rights* at page 98 and *Transfer Restrictions Stock Bonus Plan Restrictions* at page 92.

The holders of series B preferred stock will also receive cash for a portion of their investment, giving them the opportunity to diversify their savings into alternative investments other than EMJ capital stock if they wish.

The former holders of Holding common stock will have essentially the same rights after the merger and financial restructuring as they have currently, except that they will have more liquidity with respect to shares of EMJ common stock held by the stock bonus plan and shares of EMJ common stock that are owned directly than they had with the shares of Holding common stock, subject to restrictions imposed by Rules 144 and 145 of the Securities Act, applicable lock-up agreements, transfer restriction agreements and limitations on the ability of participants to transfer shares of common stock held in the stock bonus plan. See Material Provisions of the Merger Agreement and Exchange Agreement - Federal Securities Law Consequences at page 91, Transfer Restrictions Lock-up Agreements at page 91, Transfer Restrictions Transfer Restriction Agreements at

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page 92. Comparison of Securities and Stockholder Rights at page 98 and Transfer Restrictions Stock Bonus Plan Restrictions at page 92. In addition to transfer restrictions under securities laws and a lack of a trading market, the shares of series A preferred stock, series B preferred stock and Holding common stock currently held by EMJ employees can only be sold after termination of employment or in limited quantities after age 55 pursuant to the diversification provisions of the stock bonus plan. While the limitations on the ability of participants to transfer shares of common stock held in the stock bonus plan are expected to continue after the completion of the merger and financial restructuring and the public offering, EMJ has amended the stock bonus plan effective at the closing of the merger and financial restructuring to increase the ability of participants to diversify the investment in EMJ common stock in their accounts. See Description of Capital Stock, Certificate of Incorporation and Bylaws Stock Bonus Plan at page 96.

Notwithstanding that EMJ common stock will have substantially the same rights as Holding's common stock, because the number of shares of our common stock outstanding following the merger and financial restructuring will be significantly greater than the number of shares of Holding common stock currently outstanding, the percentage share ownership held by holders of Holding common stock will decrease. As a result, the voting rights of these holders will be diluted. In addition, upon consummation of the merger and financial restructuring and the public offering, the Holding stockholders agreement will be terminated and the employee stockholders will no longer have the right to designate two members of the board of directors. For a more detailed discussion, see the section of this proxy statement/prospectus entitled Risk Factors The voting power of the existing holders of common stock of Holding will be diluted significantly. The right of employee stockholders to designate directors will cease upon termination of the Holding stockholders agreement, and the right of the holders of series A preferred stock to designate a director will cease.

The Special Meeting (Page 77)

A special meeting of stockholders of Holding will be held on April 13, 2005, at 10:00 a.m., Eastern Time, at the offices of Katten Muchin Zavis Rosenman located at 575 Madison Avenue, New York, New York 10022-2585.

Solicitation of Proxies and Expenses

Neither Holding nor EMJ has engaged the services of a proxy solicitor. We intend to use the services of our officers and employees to solicit proxies on behalf of Holding, none of whom shall receive additional compensation for doing so. The cost of solicitation of proxies on behalf of Holding will be borne by us.

Interests of Certain Persons in Matters to be Acted Upon

Certain of Holding's directors and executive officers have interests in the merger and financial restructuring that are different from, or in addition to, the interests of Holding's stockholders generally and that may be regarded as significant in evaluating the merger and financial restructuring proposal.

As of the date of this proxy statement/prospectus, KIA IV, the other Kelso funds and Kelso affiliates, including Frank Nickell, one of our directors, held 8,259,799 shares of Holding common stock, which represented 73.8% of the issued and outstanding shares of Holding common stock, and 24,519 shares of Holding series A preferred stock, which represented 42.6% of the issued and outstanding shares of Holding series A preferred stock. The Kelso funds have agreed to vote all of the Holding capital stock owned by them in favor of the merger agreement and the

merger. As of the date of this proxy statement/prospectus, KIA IV also held approximately \$257,100,000 of the Holding notes (including accrued but unpaid interest through September 29, 2004) and warrants to purchase 2,937,915 shares of Holding common stock, which represented all of the outstanding Holding notes and all of the outstanding Holding warrants. Upon consummation of the merger and

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financial restructuring and the public offering, the Kelso funds and other Kelso affiliates will own 14,101,611 shares of our common stock, representing 37.5% of our issued and outstanding common stock, and receive \$233,505,850, assuming a public offering price of \$15.00 per share, the mid-point of the range shown on the cover of the public offering preliminary prospectus, and net proceeds of the public offering of \$279,750,000 (before taking into account estimated offering expenses payable by EMJ, as set forth under "Use of Proceeds" in the public offering preliminary prospectus).

In connection with the formation of EMJ, we agreed to pay Kelso an annual fee of \$1,250,000 for financial advisory services and to reimburse it for out-of-pocket expenses incurred in connection with rendering these services. Kelso waived this annual fee for fiscal years 2000, 2001, 2002, 2003 and 2004 and has not received any of this annual fee in fiscal 2005. Amounts paid to Kelso in fiscal years 2000, 2001, 2002, 2003, 2004 and 2005 for reimbursement of expenses incurred by directors designated by KIA IV in attending our board meetings were not significant. We paid Kelso a fee of \$6,250,000 to terminate EMJ's obligation to pay fees to Kelso under its financial advisory agreement with Kelso. Kelso's obligation to provide financial advisory services and our obligations with respect to the reimbursement of expenses and indemnification of Kelso are still in effect.

Two of our directors, Mr. Nickell and David Wahrhaftig, are general partners of partnerships that control KIA IV and KIA III, Kelso funds that collectively hold a substantial portion of Holding's common stock, all of Holding's notes and all of the warrants to purchase Holding common stock as described above. Mr. Nickell is also the general partner of a partnership that controls the Kelso affiliate that owns 24,519 shares of Holding's series A preferred stock.

Each of David Roderick, William Marquard and John Rutledge is one of the nominees of Kelso on our board of directors and beneficially owns shares of Holding common stock as set forth in "Security Ownership of Certain Beneficial Owners and Management." Kelso & Companies, Inc. is the general partner of Kelso, which is a private investment firm that manages Kelso investment funds, such as KIA III and KIA IV. Mr. Roderick is a member of the board of directors of Kelso & Companies, Inc. and in the past served on the board of directors of other Kelso portfolio companies, including American Standard, Inc., a former Kelso portfolio company. Mr. Roderick received annual fees of \$70,000 in 2001, 2002 and 2003 for his service as a director of Kelso & Companies, Inc. On December 17, 2004, Holding paid Mr. Roderick a bonus of \$202,640 as compensation for his service as chairman of the Holding and EMJ boards of directors. Mr. Marquard is a member of the board of directors of Kelso & Companies, Inc. and until July 2004, was a director and Chairman of the Board of Arkansas Best Corporation, a former Kelso portfolio company. He also was the Chairman of the Board of American Standard, Inc. and a director of Mosler, Inc. during Kelso's ownership. Mr. Marquard received annual fees of \$140,000 in 2001, 2002 and 2003 for his service as a director of Kelso & Companies, Inc. Messrs. Roderick, Marquard and Rutledge have invested in Kelso transactions in the past and may invest in Kelso transactions in the future.

Maurice S. Nelson, Jr. is president, chief executive officer and a member of the special committee and the boards of directors of EMJ and Holding. EMJ paid Mr. Nelson a bonus of \$3,500,000 for his services to EMJ in calendar 2004 (fiscal 2005), including, without limitation, his efforts to improve the operating performance of EMJ and his efforts to implement the merger and financial restructuring and the public offering. On December 16, 2004, Holding paid Mr. Nelson a cash payment of \$3,006,000 (equal to the difference between the appraised value of the Holding common stock as of March 31, 2004 of \$13.76 and the exercise price of \$5.41 per share) in consideration of the redemption of options to purchase 360,000 shares of Holding common stock. Mr. Nelson has agreed for a period of two years following the closing of the public offering to not sell any shares of our common stock acquired by him upon conversion of Holding capital stock in the financial restructuring or by the exercise of Holding stock options that are converted into our stock options in the financial restructuring. In consideration of this transfer restriction, we have extended the exercise period of Mr. Nelson's outstanding stock options two years to January 31, 2009. On December 17, 2004, Mr. Nelson entered into a retention agreement with EMJ.

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whereby we will pay Mr. Nelson a stay bonus of \$3,000,000 on March 31, 2007 if he continues to serve as our president and chief executive officer until the second anniversary of the closing of the public offering. Mr. Nelson will also be paid this bonus if his employment with EMJ (1) terminates due to his death, (2) is terminated by us due to his permanent disability or without cause (as defined in the retention agreement and including a material breach of the transfer restriction described above) or (3) is terminated by Mr. Nelson for good reason (as described in the retention agreement). See *Management Retention Agreement* at page 145 and *Certain Relationships and Related Transactions* at page 153.

Concurrently with the amendment of the consent order and after the redemption of Mr. Nelson's options, Holding amended its stock option plan to adjust the exercise price and the number of shares of Holding common stock that can be purchased pursuant to each option grant to offset the reduction in the appraised value of the Holding common stock resulting from the change in valuation methodology required by the amended consent order for the stock bonus plan. As a result of this change, Mr. Nelson's remaining options to purchase 960,000 shares of Holding common stock at an exercise price of \$5.41 per share were converted into options to purchase 1,693,538 shares of Holding's common stock at an exercise price of \$3.07 per share. In addition, after giving effect to the amendment to the Holding stock option plan, Messrs. Roderick, Marquard and Rutledge hold options to purchase 176,410, 70,564 and 70,564 shares of Holding common stock, respectively, at weighted-average exercise prices of \$3.32, \$3.39 and \$3.39, respectively. In connection with the merger and financial restructuring, all of the issued and outstanding options to purchase shares of Holding common stock will be converted into options to purchase an equal number of shares of EMJ common stock at the same exercise price. Upon pricing of the public offering, each of Messrs. Roderick, Marquard, Rutledge, Mason and O'Donnell will receive a grant of options to purchase 10,000 shares of EMJ common stock at an exercise price equal to the initial public offering price. Such options will vest in full on the six month anniversary of the date of grant.

Conditions to Completion of the Merger Under the Merger Agreement (Page 84)

The completion of the merger and financial restructuring depends on the satisfaction of a number of conditions, including, but not limited to, the following:

entering of an amended consent order with respect to the litigation brought by the Department of Labor against Holding and the stock bonus plan, which was done on January 3, 2005;

adoption of certain amendments to the stock bonus plan, a supplemental stock bonus plan and a cash bonus plan providing for the special contribution with respect to shares of Holding common stock held by the stock bonus plan, which was done on December 17, 2004;

execution and delivery of a transfer restriction agreement by the executive officers and members of senior management, as described under *Transfer Restrictions* *Transfer Restriction Agreements* at page 92.

approval by the Holding board of directors of the price range of EMJ common stock set forth on the cover of the public offering preliminary prospectus and ratification and confirmation by the Holding board of its approval of the merger agreement, the exchange agreement and the transactions contemplated thereby, which was done on March 3, 2005;

approval of the merger agreement and the merger and financial restructuring by the holders of Holding's capital stock;

absence of any legal prohibition or restraint that would prevent consummation of the merger and financial restructuring;

absence of any stop order suspending the effectiveness of the registration statement of which this proxy statement/prospectus is a part;

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stockholders of Holding shall not have exercised dissenter's rights with respect to more than 5% of the issued and outstanding shares of any class of the capital stock of Holding;

amendment and restatement of EMJ's certificate of incorporation;

receipt of consent and/or an amendment under our credit agreement, which was received on December 14, 2004;

receipt by EMJ of a tax opinion from Katten Muchin Zavis Rosenman, counsel to Holding;

receipt of updated fairness opinions from Wachovia Securities and Duff & Phelps, dated as of the pricing of the public offering, in each case based on the current financial information of Holding and EMJ and other industry information then-available, and in each case stating the same conclusion as to fairness as the opinions delivered when the transaction was approved by the board of directors;

completion of the EMJ public offering at a price of not less than \$7.00 per share of EMJ common stock and resulting in not less than \$100,000,000 of net proceeds to EMJ;

assumption by EMJ of all obligations of Holding with respect to the stock bonus plan, the supplemental stock bonus plan and a former employees bonus plan;

approval for listing of the shares of EMJ common stock to be issued in the merger and financial restructuring on the New York Stock Exchange subject to official notice of issuance; and

assumption by EMJ of all obligations of Holding with respect to the outstanding Holding stock options and written notice to each holder of Holding stock options of such assumption.

Options

Holding adopted the Earle M. Jorgensen Holding Company, Inc. Stock Option Plan, effective January 30, 1997, as amended, for the purpose of providing an equity incentive program for our employees and directors. Concurrently with the amendment of the consent order, Holding amended its stock option plan to offset the adverse effect on the value of the stock options because of the reduction in the appraised value of the Holding common stock resulting from the change in valuation methodology required by the amended consent order. Pursuant to the amendment, the number of shares of Holding common stock that could be purchased upon the exercise of Holding stock options was increased by a factor of 1.7641 and the exercise price of each outstanding stock option was reduced by multiplying the original exercise price by a factor of 0.5669. Holding also increased the number of shares reserved for issuance under the stock option plan to 4,000,000. At the effective time of the merger and financial restructuring, each stock option issued by Holding under the stock option plan, whether vested or unvested, that is then outstanding and unexercised pursuant to the Holding stock option plan will be assumed by us and become an option to purchase an equal number of shares of our common stock, at a per share exercise price equal to the exercise price of such Holding stock option. These options will be subject to the same vesting schedules as the Holding stock options.

In addition, EMJ has adopted a new stock incentive plan that will become effective upon consummation of the merger and financial restructuring and the public offering. Shares of common stock will be available for issuance under EMJ's new stock incentive plan in an aggregate amount equal to 5% of the total number of shares of EMJ common stock issued and outstanding after giving effect to the consummation of the merger and financial restructuring and public offering. To date, no awards have been granted under EMJ's new stock incentive plan. (See

Management Stock Incentive Plan at page 146.) Upon pricing of the public offering, each of Messrs. Roderick, Marquard, Rutledge, Mason and O'Donnell will receive a grant of options to purchase 10,000 shares of our common stock at an exercise price equal to the initial public offering price. Such options will vest in full on the six month anniversary of the date of grant.

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Public Offering Bonus

As soon as practicable after, and conditioned upon consummation of, the public offering, EMJ has committed to pay a taxable bonus (1) in the aggregate amount of \$7,500,000 to its employees on the date of this proxy statement/prospectus who are also participants in the stock bonus plan, to be allocated to such employees in the proportion that the number of shares of Holding common stock allocated to an employee's stock bonus plan account on December 16, 2004 bears to the aggregate number of shares of Holding common stock allocated to the stock bonus plan accounts of all such employees, which bonus is expected to be approximately \$3.27 per share of Holding common stock held in the stock bonus plan and (2) in the aggregate amount of \$1,000,000 to participants who are not participants in the EMJ management incentive plan or the EMJ sales bonus plan and are scheduled to receive the above-referenced employee bonus in an amount that is less than the maximum bonus that could be allocated to such participants (approximately \$3,337), to be allocated to such employees in an amount that is equal to the difference between such maximum and the amount of the bonus described in clause (1), except if the participant has been employed for less than one year, such person will receive a prorated amount based on actual days of service.

Effective Time of Merger and Financial Restructuring

The merger and financial restructuring will become effective as of the date and time specified in the merger agreement and otherwise in accordance with the Delaware General Corporation Law, which is expected to occur as soon as practicable after stockholder approval of the merger agreement and the merger and financial restructuring and the satisfaction or waiver of all other conditions to closing contained in the merger agreement and at the same time as closing of the public offering of EMJ's common stock.

Termination of the Merger Agreement (Page 85)

Holding may terminate the merger agreement, even after adoption by its stockholders, if its board of directors determines to do so by a majority vote.

Appraisal Rights (Page 88)

Holding's stockholders are entitled to appraisal rights under the Delaware General Corporation Law. EMJ may terminate the merger agreement and the merger and financial restructuring if the holders of more than 5% of the issued and outstanding shares of any class of Holding capital stock elect to exercise appraisal rights.

Accounting Treatment (Page 106)

For accounting purposes, our reorganization will be accounted for as a transfer of assets and exchange of shares between entities under common control. As such, the transaction will be accounted for in a manner similar to a pooling-of-interests. Accordingly, the financial position and results of operations of Holding will be included in our consolidated financial statements on a historical cost basis.

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	Fiscal Year Ended					December 31, 2004
	March 31,					
	2000	2001	2002	2003	2004	
	(in thousands)					(unaudited)
Balance Sheet Data:						
Cash and cash equivalents	\$ 21,660	\$ 23,758	\$ 21,300	\$ 20,030	\$ 15,528	\$ 5,760
Total working capital	165,148	156,309	154,936	150,205	139,463	226,147
Total assets	464,374	484,264	443,998	490,741	536,480	628,051
Long-term debt	282,943	266,539	289,300	328,207	305,762	344,428
Total debt	285,547	270,184	292,895	330,537	309,738	346,748
Total stockholders' equity (deficit)	(14,365)	(3,151)	(15,786)	(48,016)	(37,359)	8,605

- (1) Expenses include restructuring charges aggregating \$2,432, \$3,320, and \$1,861 for the fiscal years ended March 31, 2000, 2001 and 2002 in connection with workforce reductions and consolidations and losses from the sale of significant assets in those fiscal years and a special compensation charge of \$2,000 in connection with a payment to our chief executive officer in fiscal 2001.
- (2) Net interest expense includes amortization and write-off of debt issue costs aggregating \$1,482, \$1,482, \$1,792, \$1,416, \$1,323, \$992, \$989 and \$1,320 for the fiscal years ended March 31, 2000, 2001, 2002, 2003 and 2004, the nine months ended January 1, 2004 and December 31, 2004 and the 12 months ended December 31, 2004, respectively, net of interest income of \$636, \$1,179, \$164, \$83, \$81, \$67, \$25 and \$39 for the fiscal years ended March 31, 2000, 2001, 2002, 2003 and 2004, the nine months ended January 1, 2004 and December 31, 2004 and the 12 months ended December 31, 2004, respectively.
- (3) Represents dividends paid to Holding in connection with the repurchase of its capital stock from terminated EMJ employees, as required by the terms of Holding's stockholders agreement and Holding's stock bonus plan. In fiscal 2003, we also paid a dividend to Holding of \$25,000 to be used to repay a portion of the Holding notes.
- (4) EBITDA represents net income before net interest expense, provision for income taxes and depreciation and amortization. Consistent with Item 10(e) of Regulation S-K promulgated under the Securities Act, our EBITDA has not been adjusted to exclude any other non-cash charges or liabilities, such as LIFO adjustments of \$(9,022), \$887, \$590, \$(3,354), \$14,343, \$500, \$42,505 and \$56,348 and accruals for stock bonus plan contributions and postretirement benefits aggregating \$2,862, \$11, \$249, \$498, \$619, \$563, \$611 and \$667 for the fiscal years ended March 31, 2000, 2001, 2002, 2003 and 2004, the nine months ended January 1, 2004 and December 31, 2004 and the 12 months ended December 31, 2004, respectively. In addition, our EBITDA has not been adjusted for the following items: provisions for workforce reductions and consolidations and losses from the sale of significant assets aggregating \$2,432, \$3,320 and \$1,861 for the fiscal years ended March 31, 2000, 2001 and 2002, respectively; special compensation of \$2,000 payable to our chief executive officer in fiscal 2001; excise tax of \$1,919 related to an IRS settlement in fiscal 2002; and a loss of \$12,278 related to early retirement of debt in fiscal 2003. We believe EBITDA is useful to investors because it is frequently used by securities analysts, investors and other interested parties in the evaluation of company performance in our industry. Our management believes that EBITDA is useful in evaluating our operating performance between periods and compared to that of our competitors because the calculation of EBITDA generally eliminates the effects of financing and income taxes and the accounting effects of capital spending and acquisitions, which items may vary between periods and for different companies for reasons unrelated to overall operating performance. As a result, our management uses EBITDA as a significant component when measuring our performance in connection with determining incentive compensation. EBITDA is not a recognized measure of operating income, financial performance or liquidity under U.S. generally accepted accounting principles. The items excluded from EBITDA are significant components in understanding and assessing financial performance. Therefore, while providing useful information, our EBITDA should not be considered in isolation or as a substitute for consolidated statement of operations and cash flows data prepared in accordance with U.S. generally accepted accounting principles and should not be construed as an indication of a company's operating performance or as a measure of liquidity. In addition, it should be noted that companies calculate EBITDA differently and, therefore, EBITDA as presented for us may not be comparable to EBITDA reported by other companies. A reconciliation of net income to EBITDA for each of the respective periods indicated is as follows:

	Fiscal Year Ended					Nine Months		Twelve
	March 31,					Ended		Months
	2000	2001	2002	2003	2004	January 1, 2004	December 31, 2004	Ended
	(in thousands)					(unaudited)		(unaudited)
Reconciliation of EBITDA:								
Net income	\$ 23,987	\$ 17,798	\$ 5,354	\$ 2,382	\$ 15,252	\$ 5,284	\$ 52,932	\$ 62,900
Depreciation and amortization	9,951	11,035	11,449	11,369	11,284	8,488	8,780	11,576
Net interest expense	41,595	44,855	42,545	47,206	51,093	38,205	40,534	53,422

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Provision for income taxes	1,809	1,223	455	1,500	3,127	1,448	10,297	11,976
EBITDA	\$ 77,342	\$ 74,911	\$ 59,803	\$ 62,457	\$ 80,756	\$ 53,425	\$ 112,543	\$ 139,874

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- (5) We are the owner and beneficiary of life insurance policies on (1) all former non-union employees of a predecessor company, including certain current employees of EMJ, and (2) key man life insurance policies on certain current and former executives of EMJ. The effect of these company owned life insurance policies (COLI) on our pre-tax income consists of premium expense, policy dividend growth, and proceeds (death benefits) (which are reported as general and administrative expense) and policy interest expense on policy borrowings (which is reported as a component of interest expense). Under current U.S. federal tax law, the policy dividend growth is not currently taxable, the premium is non-deductible, the proceeds (death benefits) are tax exempt and the interest is deductible up to 96% of the contract rate.

	Fiscal Year Ended					Nine Months		Twelve
	March 31,					Ended		Months
	2000	2001	2002	2003	2004	January 1, 2004	December 31, 2004	Ended December 31, 2004
(in thousands)							(unaudited)	(unaudited)
Calculation of COLI effect:								
Cash surrender value policy dividend growth	\$ 14,029	\$ 13,010	\$ 13,521	\$ 17,156	\$ 17,751	\$ 12,411	\$ 15,381	\$ 20,721
Cash surrender value insurance premium	(2,101)	(2,217)	(2,325)	(2,866)	(3,081)	(2,544)	(2,756)	(3,293)
Proceeds (death benefits)		1,230	3,062	1,754	4,851	4,359	318	810
Total operating income impact of COLI	11,928	12,023	14,258	16,044	19,521	14,226	12,943	18,238
Cash surrender value interest	(12,645)	(14,397)	(15,996)	(17,796)	(20,082)	(15,055)	(16,747)	(21,774)
Total pre-tax income impact of COLI	\$ (717)	\$ (2,374)	\$ (1,738)	\$ (1,752)	\$ (561)	\$ (829)	\$ (3,804)	\$ (3,536)

- (6) Calculated based on the average number of employees during the applicable period.

Table of Contents**SELECTED CONSOLIDATED FINANCIAL AND OTHER DATA OF HOLDING**

The following table presents Holding's selected consolidated financial and other data for the periods and as of the date presented below. We derived the data for the fiscal years ended March 31, 2002, 2003 and 2004 and as of March 31, 2003 and 2004 from Holding's audited consolidated financial statements for those periods that are included in this proxy statement/prospectus. We derived the data for the fiscal years ended March 31, 2000 and 2001 and as of March 31, 2000, 2001 and 2002 from Holding's audited consolidated financial statements for those periods that are not included in this proxy statement/prospectus. We derived the data for the nine months ended January 1, 2004 and December 31, 2004 and as of December 31, 2004 from Holding's unaudited consolidated financial statements for those periods that are included in this prospectus and, in the opinion of management, reflect all adjustments, consisting only of normal recurring accruals, necessary for a fair presentation of our results of operations and fiscal position for those periods and as of that date. Results for the nine months ended December 31, 2004 are not necessarily indicative of results for the full fiscal year. We derived the data for the 12 months ended December 31, 2004 from Holding's audited consolidated financial statements for the fiscal year ended March 31, 2004 and Holding's unaudited consolidated financial statements for the nine months ended January 1, 2004 and December 31, 2004 that are included in this proxy statement/prospectus. You should read the following information along with Management's Discussion and Analysis of Financial Condition and Results of Operations and Holding's consolidated financial statements and the related notes, each of which is included elsewhere in this proxy statement/prospectus.

EARLE M. JORGENSEN HOLDING COMPANY, INC.

	Year Ended March 31,					Nine Months Ended		Twelve Months
								Ended
	2000	2001	2002	2003	2004	January 1, 2004	December 31, 2004	December 31, 2004
						(unaudited)		(unaudited)
(in thousands)								
Statement of Operations Data:								
Revenues	\$ 938,252	\$ 1,059,681	\$ 895,058	\$ 919,927	\$ 1,040,367	\$ 718,301	\$ 1,152,589	\$ 1,474,655
Costs of sales	662,803	767,263	641,991	658,562	754,266	518,394	828,735	1,064,607
Gross profit	275,449	292,418	253,067	261,365	286,101	199,907	323,854	410,048
Expenses (1)	208,023	228,498	204,684	210,250	216,609	154,949	220,091	281,751
Income from operations	67,426	63,920	48,383	51,115	69,492	44,958	103,763	128,297
Net interest expense (2)	64,313	69,951	72,433	82,486	89,927	63,587	61,976	88,316
Net income (loss)	1,304	(7,254)	(24,505)	(32,871)	(23,562)	(20,077)	38,074	34,589
Cash Flow Data:								
Capital expenditures	\$ 9,525	\$ 14,475	\$ 24,531	\$ 15,335	\$ 10,530	\$ 6,781	\$ 19,606	\$ 23,355
Purchase of stock (3)	13,372	5,514	14,963	10,587	5,781	4,762	9,866	10,885
Other Data (unaudited):								
EBITDA(4)	\$ 77,377	\$ 74,955	\$ 59,832	\$ 62,484	\$ 80,776	\$ 53,446	\$ 112,543	\$ 139,873
COLI effect (5)	(717)	(2,374)	(1,738)	(1,752)	(561)	(829)	(3,804)	(3,536)
Revenues per employee (6)	484	517	496	539	639	440	693	894
EBITDA per employee (4)(6)	40	37	33	37	50	33	68	85
Average number of employees	1,938	2,051	1,805	1,706	1,628	1,634	1,663	1,649
Tons shipped	601,532	679,610	581,243	603,310	662,213	463,986	571,065	769,292

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	Year Ended March 31,					December 31,
	2000	2001	2002	2003	2004	2004
(in thousands)						(unaudited)
Balance Sheet Data:						
Cash and cash equivalents	\$ 21,690	\$ 23,779	\$ 21,372	\$ 45,413	\$ 15,646	\$ 6,133
Total working capital	159,175	149,501	146,800	165,897	129,252	222,691
Total assets	464,708	484,625	444,506	516,580	537,191	629,107
Long-term debt	408,748	416,419	467,781	540,747	531,135	590,310
Total debt	411,352	420,064	471,376	543,077	535,111	592,630
Total stockholders' equity (deficit)	(146,359)	(160,197)	(202,690)	(245,171)	(273,295)	(241,014)

- (1) Expenses include restructuring charges aggregating \$2,432, \$3,320 and \$1,861 for the fiscal years ended March 31, 2000, 2001 and 2002 in connection with workforce reductions and consolidations and losses from the sale of significant assets in those fiscal years and a special compensation charge of \$2,000 in connection with a payment to our chief executive officer in fiscal 2001.
- (2) Net interest expense includes amortization and write-off of debt issue costs aggregating \$1,482, \$1,482, \$1,792, \$1,416, \$1,323, \$992, \$989 and \$1,320 for the fiscal years ended March 31, 2000, 2001, 2002, 2003 and 2004, the nine months ended January 1, 2004 and December 31, 2004 and the 12 months ended December 31, 2004, respectively, net of interest income of \$505, \$1,179, \$164, \$394, \$159, \$145, \$25 and \$39 for the fiscal years ended March 31, 2000, 2001, 2002, 2003 and 2004, the nine months ended January 1, 2004 and December 31, 2004 and the 12 months ended December 31, 2004, respectively.
- (3) Represents the repurchase of capital stock from terminated EMJ employees, as required by the terms of Holding's stockholders agreement and Holding's stock bonus plan. In fiscal 2003, excludes cash payment made by EMJ to pay a dividend to Holding of \$25,000 in fiscal 2004 used to pay a portion of Holding's notes.
- (4) EBITDA represents net income before net interest expense, provision for income taxes and depreciation and amortization. Consistent with Item 10(e) of Regulation S-K promulgated under the Securities Act, our EBITDA has not been adjusted to exclude any other non-cash charges or liabilities, such as LIFO adjustments of \$(9,022), \$887, \$590, \$(3,354), \$14,343, \$500, \$42,505 and \$56,348 and accruals for stock bonus plan contributions and postretirement benefits aggregating \$2,862, \$11, \$249, \$498, \$619, \$563, \$611 and \$667 for the fiscal years ended March 31, 2000, 2001, 2002, 2003, 2004 and the nine months ended January 1, 2004 and December 31, 2004 and the 12 months ended December 31, 2004, respectively. In addition, our EBITDA has not been adjusted for the following items: provisions for workforce reductions and consolidations and losses from the sale of significant assets aggregating \$2,432, \$3,320 and \$1,861 for the fiscal years ended March 31, 2000, 2001 and 2002, respectively; special compensation of \$2,000 payable to our chief executive officer in fiscal 2001; excise tax of \$1,919 related to an IRS settlement in fiscal 2002; and a loss of \$12,278 related to early retirement of debt in fiscal 2003. We believe EBITDA is useful to investors because it is frequently used by securities analysts, investors and other interested parties in the evaluation of company performance in our industry. Our management believes that EBITDA is useful in evaluating our operating performance between periods and compared to that of our competitors because the calculation of EBITDA generally eliminates the effects of financing and income taxes and the accounting effects of capital spending and acquisitions, which items may vary between periods and for different companies for reasons unrelated to overall operating performance. As a result, our management uses EBITDA as a significant component when measuring our performance in connection with determining incentive compensation. EBITDA is not a recognized measure of operating income, financial performance or liquidity under U.S. generally accepted accounting principles. The items excluded from EBITDA are significant components in understanding and assessing financial performance. Therefore, while providing useful information, our EBITDA should not be considered in isolation or as a substitute for consolidated statement of operations and cash flows data prepared in accordance with U.S. generally accepted accounting principles and should not be construed as an indication of a company's operating performance or as a measure of liquidity. In addition, it should be noted that companies calculate EBITDA differently and, therefore, EBITDA as presented for us may not be comparable to EBITDA reported by other companies. A reconciliation of net income to EBITDA for each of the respective periods indicated is as follows:

	Year Ended March 31,					Nine Months Ended		Twelve Months Ended
	2000	2001	2002	2003	2004	January 1, 2004	December 31, 2004	December 31, 2004
(in thousands)								(unaudited)
Reconciliation of EBITDA:								(unaudited)
Net income	\$ 1,304	\$ (7,254)	\$ (24,505)	\$ (32,871)	\$ (23,562)	\$ (20,077)	\$ 38,074	\$ 34,589
Depreciation and amortization(4)	9,951	11,035	11,449	11,369	11,284	8,488	8,780	11,576
Net interest expense	64,313	69,951	72,433	82,486	89,927	63,587	61,976	88,316
Provision for income taxes	1,809	1,223	455	1,500	3,127	1,448	3,713	5,392
EBITDA	\$ 77,377	\$ 74,955	\$ 59,832	\$ 62,484	\$ 80,776	\$ 53,446	\$ 112,543	\$ 139,873



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- (5) We are the owner and beneficiary of life insurance policies on (1) all former non-union employees of a predecessor company, including certain current employees of EMJ, and (2) key man life insurance policies on certain current and former executives of EMJ. The effect of these company owned life insurance policies (COLI) on our pre-tax income consists of premium expense, policy dividend growth, and proceeds (death benefits) (which are reported as general and administrative expense) and policy interest expense on policy borrowings (which is reported as a component of interest expense). Under current U.S. federal tax law, the policy dividend growth is not currently taxable, the premium is non-deductible, the proceeds (death benefits) are tax exempt and the interest is deductible up to 96% of the contract rate.

	Fiscal Year Ended					Nine Months Ended		Twelve Months Ended
	March 31,					January 1,	December 31,	December 31,
	2000	2001	2002	2003	2004	2004	2004	2004
(in thousands)							(unaudited)	(unaudited)
Calculation of COLI effect:								
Cash surrender value policy dividend growth	\$ 14,029	\$ 13,010	\$ 13,521	\$ 17,156	\$ 17,751	\$ 12,411	\$ 15,381	\$ 20,721
Cash surrender value insurance premium	(2,101)	(2,217)	(2,325)	(2,866)	(3,081)	(2,544)	(2,756)	(3,293)
Proceeds (death benefits)		1,230	3,062	1,754	4,851	4,359	318	810
Total operating income impact of COLI	11,928	12,023	14,258	16,044	19,521	14,226	12,943	18,238
Cash surrender value interest	(12,645)	(14,397)	(15,996)	(17,796)	(20,082)	(15,055)	(16,747)	(21,774)
Total pre-tax income impact of COLI	\$ (717)	\$ (2,374)	\$ (1,738)	\$ (1,752)	\$ (561)	\$ (829)	\$ (3,804)	\$ (3,536)

- (6) Calculated based on the average number of employees during the applicable period.

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UNAUDITED PRO FORMA CONDENSED COMBINED CONSOLIDATED FINANCIAL STATEMENTS

Earle M. Jorgensen Company

The following unaudited pro forma condensed combined consolidated balance sheet as of December 31, 2004, and the unaudited pro forma condensed combined consolidated statement of operations for the fiscal year ended March 31, 2004, and nine months ended December 31, 2004, are based on the historical financial statements of EMJ and Holding after giving effect to the merger and financial restructuring and public offering as a combination of entities under common control and the assumptions and adjustments described in the accompanying notes to the unaudited pro forma condensed combined consolidated financial statements.

The pro forma information is based on the assumptions set forth in the notes to such information. Pro forma adjustments are necessary to reflect the combination and new capital structure. Pro forma adjustments are also necessary to reflect the reduction of interest expense related to the Holding notes.

The unaudited pro forma condensed combined consolidated financial statements should be read in conjunction with EMJ's and Holding's historical consolidated financial statements and accompanying notes for their fiscal year ended March 31, 2004, and nine months ended December 31, 2004, included elsewhere in this proxy statement/prospectus. The unaudited pro forma condensed combined consolidated financial statements are not intended to represent or be indicative of the consolidated results of operations or financial condition of the combined company that would have been reported had the merger and financial restructuring and public offering been completed as of the dates presented, and should not be taken as representative of the future consolidated results of operations or financial condition of the combined company.

These pro forma condensed combined consolidated financial statements do not include the effect of recording the obligation of EMJ to contribute 2,461,547 common shares to Holding's stock bonus plan to their fair value at the assumed public offering price of \$15.00 per share. The contribution of the common shares to Holding's stock bonus plan is subject to Internal Revenue Code limits on the amounts that EMJ can contribute to a defined contribution plan in any year for any one individual. At December 31, 2004, EMJ had accrued \$16,270,826 based on a fair value of \$6.61 per share. At \$15.00 per share (the mid-point of the range described on the cover of the public offering preliminary prospectus), EMJ would incur an additional non-cash charge of \$20,652,379 (\$15.00 minus \$6.61 multiplied by 2,461,547). EMJ will be required to adjust the expense associated with the contribution obligation at the end of each accounting period, which will fluctuate based on the fair market value of the common shares to be contributed until such time as the shares can be contributed to the Holding's stock bonus plan.

For the purpose of additional analysis, the unaudited pro forma condensed combined consolidated financial statements present the condensed consolidated balance sheets and statements of operations of EMJ and Holding prior to the consolidation along with details of intercompany eliminations, which result in the consolidated condensed balance sheet as of December 31, 2004 and the consolidated condensed statement of operations for the fiscal year ended March 31, 2004 and the nine months ended December 31, 2004.

Table of Contents**UNAUDITED PRO FORMA CONDENSED COMBINED CONSOLIDATED BALANCE SHEET****Earle M. Jorgensen Company and Earle M. Jorgensen Holding Company, Inc.**

As of December 31, 2004

				Consolidated	Pro Forma	
	EMJ (a)	Holding (b)	Eliminations (c)	EMJ Holding (d)	Adjustments	Pro Forma
(dollars in thousands)						
Assets						
Current assets:						
Cash	\$ 5,760	\$ 373	\$	\$ 6,133	\$	\$ 6,133
Accounts receivable, less allowance for doubtful accounts	173,871			173,871		173,871
Inventories	281,307			281,307		281,307
Other current assets	8,976			8,976		8,976
Total current assets	469,914	373		470,287		470,287
Net property, plant and equipment, at cost	117,896			117,896		117,896
Intercompany		(122,132)	122,132			
Investment in subsidiaries		17,142	(17,142)			
Cash surrender value of life insurance policies	31,820			31,820		31,820
Debt issue costs, net of accumulated amortization	5,920			5,920		5,920
Other assets	2,501	683		3,184		3,184
Total assets	\$ 628,051	\$ (103,934)	\$ 104,990	\$ 629,107	\$	\$ 629,107
Liabilities and Stockholders' Equity						
Current liabilities:						
Accounts payable	\$ 158,060	\$	\$	\$ 158,060	\$	\$ 158,060
Accrued liabilities	65,870	3,439	390	69,699	(11,188)(e) 8,500 (f) (646)(f)	66,365
Deferred income taxes	17,517			17,517		17,517
Current portion of long-term debt	2,320			2,320		2,320
Total current liabilities	243,767	3,439	390	247,596	(3,334)	244,262
Long-term Debt	344,428	245,882		590,310	(245,882)(e)	344,428
Deferred income taxes	17,869			17,869		17,869
Other long-term liabilities	13,382	964		14,346		14,346
Stockholders' equity:						
Preferred and common stock subject to redemption			75,494	75,494	(75,494)(e)	
Series A preferred stock not subject to redemption		24,755	(3,538)	21,217	(21,217)(e)	
Series B preferred stock not subject to redemption		31,018	(28,702)	2,316	(2,316)(e)	
Common stock		133	(26)	107	(107)(e)	
Capital in excess of par value	21,194	99,130	(41,883)	78,441	274,084 (e)	352,525

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Reclassification to value			(16,641)	(16,641)	16,641 (e)	
Preferred stock, \$.01 par value; 200 shares authorized and no shares issued, actual and adjusted						
Common stock, \$.01 par value; 2,800 shares authorized and 128 shares issued and outstanding, actual; 80,000,000 shares authorized and 37,848,598 shares issued and outstanding, as adjusted					38	38
Foreign currency translation adjustment	1,268			1,268		1,268
Additional minimum pension liability	(2,625)			(2,625)		(2,625)
Accumulated deficit	(11,232)	(443,814)	119,896	(335,150)	(7,854)(f)	(343,004)
Treasury stock		(65,441)		(65,441)	65,441 (e)	
	<u>8,605</u>	<u>(354,219)</u>	<u>104,600</u>	<u>(241,014)</u>	<u>249,216</u>	<u>8,202</u>
Total stockholder s equity (deficit)						
Total liabilities and stockholder s equity	\$ 628,051	\$ (103,934)	\$ 104,990	\$ 629,107	\$	\$ 629,107

See accompanying notes.

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Notes to Unaudited Pro Forma Condensed Combined Consolidated Balance Sheet

- (a) EMJ's unaudited consolidated condensed balance sheet as of December 31, 2004, as reported elsewhere in this proxy statement/prospectus, which in the opinion of management reflects all adjustments, consisting of normal recurring adjustments, which are necessary for a fair presentation of our fiscal position.
- (b) Unaudited balance sheet accounts of Holding as of December 31, 2004, prior to consolidation with EMJ.
- (c) Intercompany eliminating adjustments with respect to the consolidation of Holding and EMJ as of December 31, 2004.
- (d) Holding's unaudited consolidated condensed balance sheet as of December 31, 2004, as reported elsewhere in this proxy statement/prospectus, which in the opinion of management reflects all adjustments, consisting of normal recurring adjustments, which are necessary for a fair presentation of our results of operations.
- (e) The adjustments to effect the merger and financial restructuring (based on shares and values at December 31, 2004), assuming that the public offering price will be \$15.00 per share of EMJ common stock, the mid-point of the range described on the cover of the public offering preliminary prospectus, and net proceeds of the public offering are \$279,750,000 (before taking into account estimated offering expenses payable by EMJ, as set forth under "Use of Proceeds" in the public offering preliminary prospectus), include the following:

Exchange of all issued and outstanding Holding debt and accrued interest thereon totaling \$257,069,318 for \$214,864,512 in cash and 2,813,654 shares of EMJ common stock.

Exchange of warrants to purchase 2,937,915 shares of Holding common stock for 2,935,956 shares of EMJ common stock, net of the exercise price of \$0.01 per share.

Conversion of 11,249,312 issued and outstanding shares (not including 2,089,224 shares held in treasury and retired) of Holding common stock into 11,249,312 shares of EMJ common stock. The difference between the number of shares of Holding common stock converted into EMJ common stock at December 31, 2004 and the number of shares converted at the date of the merger and financial restructuring is attributable to the shares repurchased from former employees who cashed out their stock bonus plan accounts and former employees who exercised put rights pursuant to the Holding stockholder agreement.

Conversion of 59,893 shares of Holding's series A preferred stock (not including 187,654 shares held in treasury and retired) into \$682.60 in cash and 8.94 shares of EMJ common stock. The difference between the number of shares of Holding's series A preferred stock at December 31, 2004 and the number of shares at the date of the merger and financial restructuring is attributable to the shares repurchased from former employees who cashed out their stock bonus plan accounts.

Conversion of 28,718 shares of Holding's series B preferred stock (not including 2,300 held in treasury and retired) into \$835.82 in cash and 10.95 shares of EMJ common stock. The difference between the number of shares of Holding's series B preferred stock at December 31, 2004 and the number of shares at the date of the merger and financial restructuring is attributable to the shares repurchased from former employees who cashed out their stock bonus plan accounts.

The adjustment to the caption "reclassification to value" represents the cumulative changes in the market value, based on annual appraisals, related to the shares of Holding's preferred stock and common stock which are converted in the merger and financial restructuring. This will be eliminated as a result of the existing Holding preferred stock and common stock being converted for a combination of cash and EMJ's common stock.

Upon completion of the merger and financial restructuring and the public offering, subject to the assumptions herein, 37,848,598 shares of EMJ common stock will be issued and outstanding.

- (f) Contingent upon consummation of the merger and financial restructuring and the public offering, EMJ has committed to pay a taxable bonus to its employees on the closing date who are also participants in the stock bonus plan in the aggregate amount of \$8,500,000, net of income taxes at the estimated fiscal 2005 effective annual tax rate.

Table of Contents**UNAUDITED PRO FORMA CONDENSED COMBINED CONSOLIDATED STATEMENT OF OPERATIONS****Earle M. Jorgensen Company and Earle M. Jorgensen Holding Company, Inc.**

Fiscal Year Ended March 31, 2004

	<u>EMJ (a)</u>	<u>Holding (b)</u>	<u>Consolidated EMJ Holding (c)</u>	<u>Pro Forma Adjustments</u>	<u>Pro Forma</u>
	(dollars in thousands)				
Revenues	\$ 1,040,367	\$	\$ 1,040,367	\$	\$ 1,040,367
Cost of sales	754,266		754,266		754,266
Gross profit	286,101		286,101		286,101
Expenses					
Warehouse and delivery	135,421		135,421		135,421
Selling	38,254		38,254		38,254
General and administrative	42,954	(20)	42,934		42,934