

RELIANCE STEEL & ALUMINUM CO  
Form 11-K  
June 24, 2013  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 11-K**

(Mark One)

**ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2012

OR

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 001-13122

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

**Precision Strip, Inc. Retirement and Savings Plan**

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

**Reliance Steel & Aluminum Co.**

**350 South Grand Avenue, Suite 5100**

Los Angeles, California 90071

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**Precision Strip, Inc.  
Retirement and Savings Plan**

Financial Statements and  
Supplemental Schedule  
As of December 31, 2012 and 2011 and  
For the Year Ended December 31, 2012

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**Precision Strip, Inc.**  
**Retirement and Savings Plan**

Financial Statements and Supplemental Schedule

As of December 31, 2012 and 2011 and  
For the Year Ended December 31, 2012

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**Precision Strip, Inc.**  
**Retirement and Savings Plan**

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**Report of Independent Registered Public Accounting Firm**

To the Plan Administrator

Precision Strip, Inc. Retirement and Savings Plan

Minster, Ohio

We have audited the accompanying statements of net assets available for benefits of the Precision Strip, Inc. Retirement and Savings Plan (the Plan ) as of December 31, 2012 and 2011, and the related statement of changes in net assets available for benefits for the year ended December 31, 2012. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2012 and 2011, and the changes in net assets available for benefits for the year ended December 31, 2012, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2012 is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ BDO USA, LLP

Los Angeles, California

June 21, 2013

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## **Financial Statements**

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**Precision Strip, Inc.**  
**Retirement and Savings Plan**

**Statements of Net Assets Available for Benefits**

| <i>December 31,</i>   | <b>2012</b>           | <b>2011</b>           |
|---|-----------------------|-----------------------|
| <b>Assets</b>   |                       |                       |
| Cash  | \$ 197,639            | \$ 184,840            |
| Investments, at fair value:   |                       |                       |
| Money market fund   | 4,189,372             | 2,055,912             |
| Mutual funds  | 108,277,462           | 93,963,645            |
| Common collective trust   | 13,908,261            | 10,601,930            |
| Reliance Steel & Aluminum Co. common stock  | 4,188,397             | 5,242,258             |
| Total investments   | 130,563,492           | 111,863,745           |
| Receivables:  |                       |                       |
| Notes receivable from participants  | 4,920,797             | 4,627,338             |
| Other receivables   | 18                    | 32,666                |
| Total receivables   | 4,920,815             | 4,660,004             |
| Total assets  | 135,681,946           | 116,708,589           |
| <b>Liabilities</b>  |                       |                       |
| Excess contributions payable  | 17,868                | 64,965                |
| Benefit claims payable and other payable  | 112,401               |                       |
| Total liabilities   | 130,269               | 64,965                |
| <b>Net assets available for benefits at fair value</b>  | <b>135,551,677</b>    | <b>116,643,624</b>    |
| Adjustment from fair value to contract value for the fully benefit- responsive investment contracts (common collective trust) | (398,017)             | (261,485)             |
| <b>Net assets available for benefits</b>  | <b>\$ 135,153,660</b> | <b>\$ 116,382,139</b> |

*See accompanying notes to financial statements.*

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**Precision Strip, Inc.**  
**Retirement and Savings Plan**

**Statement of Changes in Net Assets Available for Benefits**

| <i>Year ended December 31,</i>                              | 2012                  |
|---|-----------------------|
| <b>Additions</b>  |                       |
| Income:   |                       |
| Net appreciation in fair value of investments               | \$ 12,180,409         |
| Interest and dividends                                      | 4,064,536             |
| Interest from notes receivable from participants            | 209,325               |
| Total income  | 16,454,270            |
| Contributions:  |                       |
| Employer, net of forfeitures                                | 4,490,223             |
| Participant   | 3,086,949             |
| Rollovers   | 29,116                |
| Total contributions, net                                    | 7,606,288             |
| Total additions   | 24,060,558            |
| <b>Deductions</b>   |                       |
| Benefits paid to participants and beneficiaries             | 4,684,372             |
| Transfer to other plan                                      | 580,460               |
| Deemed distributions of notes receivable from participants  | 112                   |
| Administrative expenses                                     | 24,093                |
| Total deductions  | 5,289,037             |
| <b>Net increase</b>   | <b>18,771,521</b>     |
| <b>Net assets available for benefits, beginning of year</b> | <b>116,382,139</b>    |
| <b>Net assets available for benefits, end of year</b>       | <b>\$ 135,153,660</b> |

*See accompanying notes to financial statements.*



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**Precision Strip, Inc.**  
**Retirement and Savings Plan**

**Notes to Financial Statements**

**1. Description of the Plan**

The following brief description of the Precision Strip, Inc. Retirement and Savings Plan (the Plan ) provides only general information. Participants should refer to the Summary Plan Description for a more complete description of the Plan s provisions.

***General***

The Plan is a defined contribution plan providing retirement benefits covering all employees who meet certain eligibility requirements of Precision Strip, Inc. (the Company ), a wholly-owned subsidiary of Reliance Steel & Aluminum Co., and Precision Strip Transport, Inc., a wholly-owned subsidiary of Precision Strip, Inc. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ( ERISA ) and subsequent amendments. The Plan is administered by the Precision Strip, Inc. Retirement and Savings Plan Administrative Committee ( Plan Administrator ).

Effective April 27, 2012, the Company acquired the real property and other fixed assets of the Worthington Steel Vonore, Tennessee plant, a processing facility owned by Worthington Industries, Inc. The Plan was amended on that date to provide past service credit for purposes of vesting under the provisions of the Plan to those former employees of Worthington Steel who became subsequently employed by the Company.

***Transfer to Other Plans***

Certain employees of Precision Strip Transport, Inc. became employees of Durrett Sheppard Steel Co., Inc., a wholly-owned subsidiary of Reliance Steel & Aluminum Co., in 2012. The value of their assets was transferred from the Precision Strip, Inc. Retirement and Savings Plan to the Reliance Steel & Aluminum Co. Master 401(k) Plan. A total of \$580,460 in assets, which include notes receivable from participants of \$13,008, was transferred from the Plan.

***Participation***

Each employee is eligible to participate on the first day of each plan calendar quarter after the completion of three months of service.

Effective July 2, 2012, an eligible employee who has satisfied the Plan's waiting period and is first hired is automatically enrolled into the Plan with a 2% deferral of eligible compensation. Unless elected otherwise, their automatic enrollment contribution will increase annually by 2%, to a maximum of 8%. An eligible employee may decline to be automatically enrolled into the Plan and they can also elect a different deferral percentage.

***Contributions***

Participants may make up to 50% salary deferrals of eligible compensation to the Plan, subject to federal limits. The Plan also allows the Company to make employer profit sharing contributions, which are discretionary. Eligible participants who complete 1,000 hours of service are eligible to receive the employer contribution. Participants may also contribute distributions from other qualified defined benefit or defined contribution plans, and from individual retirement accounts.

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**Precision Strip, Inc.**  
**Retirement and Savings Plan**

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***Participant Accounts***

Each participant's account is credited with the participant's contributions, employer contributions and allocation of investment earnings. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account. Participants may direct the investment of their account balances into various investment funds offered by the Plan.

***Vesting***

Participants are immediately vested in all employee contributions and eligible rollovers plus actual earnings thereon.

Employer profit sharing contributions and any earnings thereon are vested in accordance with the following schedule:

| <b>Years of Service</b> | <b>Percentage</b> |
|-------------------------|-------------------|
| Less than 2             | 0%                |
| 2                       | 20%               |
| 3                       | 40%               |
| 4                       | 60%               |
| 5                       | 80%               |
| 6 or more               | 100%              |

***Payment of Benefits***

On termination of service, or upon death, disability, or retirement, a participant receives a lump sum amount equal to the vested value of his or her account. A monthly installment payment option is also available. Other withdrawals from participants' account balances may be made under certain circumstances, as defined in the Plan document.

***Forfeitures***

Forfeitures from nonvested participant accounts are used to reduce future Company contributions. During the year ended December 31, 2012, forfeitures of \$68,081 were used to reduce the Company's contributions. Forfeited non-vested accounts totaled \$2,782 and \$747 at December 31, 2012 and 2011, respectively.

***Notes receivable from participants***

Participants may borrow from their accounts up to the lesser of \$50,000 or 50% of their vested account balance. Notes receivable from participants are secured by the respective participant's vested account balance and are subject to interest charges. Interest rates applicable to new notes are determined by the Plan Administrator on the first day of each calendar quarter based on prevailing market rates. Notes are repaid ratably through periodic payroll deductions over a term not exceeding five years, or ten years for notes used for the purchase of a primary residence. Interest rates on notes receivable from participants as of December 31, 2012 ranged from 4.25% to 8.75% and mature through December 2022.

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**Precision Strip, Inc.**  
**Retirement and Savings Plan**

**Notes to Financial Statements**

***Administrative Expenses***

Non-investment costs and administrative expenses of the Plan are paid by the Company, which is a party-in-interest. These expenses, which are not reflected in the accompanying financial statements, constitute exempt party-in-interest transactions under ERISA. Loan establishment, loan maintenance and short-term trading fees are paid by the Plan's Participants and all other investment expenses are offset against the related investment income. Fees paid by the Plan participants to the custodian for administrative expenses amounted to \$24,093 for the year ended December 31, 2012.

**2. Summary of Significant Accounting Policies**

***Basis of Presentation***

The accompanying financial statements of the Plan are prepared under the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America ( GAAP ).

As described in the *Plan Accounting Defined Contribution Pension Plans* topic of the Financial Accounting Standards Board ( FASB ) Accounting Standards Codification ( Codification ), investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for plan benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan.

The Plan invests in the Fidelity Managed Income Portfolio which is a common collective trust. It invests in fully benefit-responsive investment contracts issued by insurance companies and other financial institutions, and in fixed income securities (see Investment Valuation and Income Recognition). The Plan's Statements of Net Assets Available for Benefits present the fair value of these investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.



***Impact of Recently Issued Accounting Pronouncements***

In May 2011, the FASB issued new accounting guidance to provide a consistent definition of fair value and ensure that the fair value measurement and disclosure requirements are similar between GAAP and International Financial Reporting Standards. The new guidance changes certain fair value measurement principles and enhances the disclosure requirements particularly for level 3 fair value measurements. The guidance is effective for the year ended December 31, 2012. The adoption of these changes did not have a material impact to the financial statements of the Plan and notes thereto.

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**Precision Strip, Inc.**  
**Retirement and Savings Plan**

**Notes to Financial Statements**

***Investment Valuation and Income Recognition***

The Plan's investments in registered investment companies (mutual funds) and in common stock are stated at fair value based on the quoted market price of the funds or common stock; the investments in registered investment companies represent the net asset value of the shares held by the Plan at year end. The common collective trust is stated at net asset value as determined by the trustee at the end of the Plan year except when holding fully benefit-responsive investment contracts as described below. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on ex-dividend date.

The Fidelity Managed Income Portfolio, a common collective trust, has entered into fully benefit-responsive investment contracts to provide preservation of principal, maintain a stable interest rate, and provide liquidity at contract value for participant withdrawals and transfers. For purposes of the Statements of Net Assets Available for Benefits, these investments are stated at fair value, rather than contract value, to the extent they are fully benefit-responsive as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis. The fair value of these investments is determined using the market price of the underlying securities and the value of the investment contract.

***Net Appreciation (Depreciation) in Fair Value of Investments***

Realized and unrealized appreciation (depreciation) in the fair value of investments is based on the difference between the fair value of the assets at the beginning of the year, or at the time of purchase for assets purchased during the year, and the related fair value on the day investments are sold with respect to realized appreciation (depreciation), or on the last day of the year for unrealized appreciation (depreciation).

Realized and unrealized appreciation (depreciation) is recorded in the accompanying Statement of Changes in Net Assets Available for Benefits as net appreciation in fair value of investments.

***Risks and Uncertainties***

The Plan provides various funds that hold investment securities. Investment securities are exposed to various risks such as interest rate, market volatility, and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risk in the near term would materially affect participants' account balances and the amounts reported in the financial statements.

The Plan provides investment options that hold securities of foreign companies, which may involve special risks and considerations not typically associated with investing in U.S. companies. These risks include devaluation of currencies, less reliable information about issuers, different securities transaction clearance and settlement practices, and possible adverse political and economic developments. Moreover, securities of many foreign companies and their markets may be less liquid and their prices more volatile than securities of comparable U.S. companies.

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**Precision Strip, Inc.**  
**Retirement and Savings Plan**

**Notes to Financial Statements**

***Use of Estimates***

The preparation of the financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the financial statements and accompanying notes. Actual results could materially differ from those estimates.

***Payment of Benefits***

Benefits paid to participants are recorded when paid.

**3. Investments**

Participants may invest in certain investments offered by Fidelity Management Trust Company, the custodian of the Plan, including a unitized common stock fund containing common stock of Reliance Steel & Aluminum Co. and interest bearing cash. At December 31, 2012 and 2011, the Plan held 269,376 and 441,108 unitized shares of Reliance Steel & Aluminum Co. stock fund with fair values of \$4,273,652 and \$5,459,764, respectively. As of December 31, 2012 and 2011, the Reliance Steel & Aluminum Co. stock fund consisted of 67,446 and 107,666 shares, respectively, of Reliance Steel & Aluminum Co. common shares valued at \$4,188,397 and \$5,242,258, respectively. At December 31, 2012 and 2011, the fund contained interest bearing cash of \$197,639 and \$184,840, respectively, and other receivables of \$18 and \$32,666, respectively. The fund also contained benefit claims payable and other payable of \$112,401 at December 31, 2012.

For risks and uncertainties regarding investment in Reliance Steel & Aluminum Co. common stock, participants should refer to the Reliance Steel & Aluminum Co. s Annual Report on Form 10-K for the year ended December 31, 2012 and the Quarterly Report on Form 10-Q for the quarter ended March 31, 2013.

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The following investments represent 5% or more of the Plan's net assets at December 31, 2012 and 2011:

| <i>December 31,</i>                              | <b>2012</b>          | 2011          |
|--|----------------------|---------------|
| <i>Mutual Funds:</i>                             |                      |               |
| Fidelity Dividend Growth Fund: Class K           | \$ <b>17,480,312</b> | \$ 16,839,715 |
| Spartan 500 Index Fund: Institutional Class      | <b>14,651,566</b>    | 14,617,662    |
| PIMCO Total Return: Institutional Class          | <b>13,764,324</b>    | 8,949,304     |
| Baron Asset Fund: Institutional Class*           | <b>11,874,540</b>    | -             |
| Baron Asset Fund*                                | -                    | 11,626,677    |
| Fidelity Diversified International Fund: Class K | <b>7,248,302</b>     | 6,858,170     |
| Common Collective Trust:                         |                      |               |
| Fidelity Managed Income Portfolio                | <b>13,908,261</b>    | 10,601,930    |

\* The fund converted to a lower-cost institutional class in 2012.

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**Precision Strip, Inc.**  
**Retirement and Savings Plan**

**Notes to Financial Statements**

During the year ended December 31, 2012, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value as follows:

|   |    | <b>2012</b>       |
|---|----|-------------------|
| Mutual funds                                  | \$ | <b>11,054,039</b> |
| Reliance Steel & Aluminum Co. common stock    |    | <b>1,126,370</b>  |
| Net appreciation in fair value of investments | \$ | <b>12,180,409</b> |

**4. Fair Value Measurements**

The Codification establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities. An active market for the asset or liability is a market in which the transaction for the asset or liability occurs with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities in markets that are active; quoted market prices in markets that are not active; or model-derived valuations or other inputs that are observable or can be corroborated by observable market data for substantially the full terms of the assets or liabilities.

Level 3: Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

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The following table sets forth by level, within the fair value hierarchy, the Plan's investment assets measured at fair value as of December 31, 2012:

|   | Level 1        | Level 2       | Level 3 | Total       |
|---|----------------|---------------|---------|-------------|
| <b>Mutual Funds:</b>                                  |                |               |         |             |
| <b>Bond Fund</b>                                      | \$ 13,764,324  | \$ -          | \$ -    | 13,764,324  |
| <b>Large Cap Equity Funds</b>                         | 48,427,154     | -             | -       | 48,427,154  |
| <b>Mid Cap Equity Funds</b>                           | 16,212,511     | -             | -       | 16,212,511  |
| <b>Small Cap Equity Funds</b>                         | 1,544,018      | -             | -       | 1,544,018   |
| <b>International Funds</b>                            | 7,248,302      | -             | -       | 7,248,302   |
| <b>LifeCycle Funds</b>                                | 21,081,153     | -             | -       | 21,081,153  |
| <b>Common collective trust</b>                        | -              | 13,908,261    | -       | 13,908,261  |
| <b>Money market fund</b>                              | 4,189,372      | -             | -       | 4,189,372   |
| <b>Reliance Steel &amp; Aluminum Co. common stock</b> | 4,188,397      | -             | -       | 4,188,397   |
| <b>Total investments at fair value</b>                | \$ 116,655,231 | \$ 13,908,261 | \$ -    | 130,563,492 |

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**Precision Strip, Inc.**  
**Retirement and Savings Plan**

**Notes to Financial Statements**

The following table sets forth by level, within the fair value hierarchy, the Plan's investment assets measured at fair value as of December 31, 2011:

|  | Level 1        | Level 2       | Level 3 | Total       |
|--|----------------|---------------|---------|-------------|
| Mutual Funds:                              |                |               |         |             |
| Bond Funds                                 | \$ 8,949,304   | \$ -          | \$ -    | 8,949,304   |
| Large Cap Equity Funds                     | 46,474,844     | -             | -       | 46,474,844  |
| Mid Cap Equity Funds                       | 13,887,004     | -             | -       | 13,887,004  |
| Small Cap Equity Funds                     | 3,728,743      | -             | -       | 3,728,743   |
| International Funds                        | 6,858,170      | -             | -       | 6,858,170   |
| LifeCycle Funds                            | 14,065,580     | -             | -       | 14,065,580  |
| Common collective trust                    | -              | 10,601,930    | -       | 10,601,930  |
| Money market fund                          | 2,055,912      | -             | -       | 2,055,912   |
| Reliance Steel & Aluminum Co. common stock | 5,242,258      | -             | -       | 5,242,258   |
| Total investments at fair value            | \$ 101,261,815 | \$ 10,601,930 | \$ -    | 111,863,745 |

The Plan's investments that are measured at fair value on a recurring basis, such as money market funds, mutual funds, and equity securities are generally classified within Level 1 of the fair value hierarchy. The fair values of these investments are based on quoted market prices in active markets. The Plan also invests in a stable value fund held within a common collective trust for which the valuation is based on the values of the underlying investments. Based on the nature of the underlying investments in the common collective trust, the investment asset has been classified as Level 2. The stable value fund has an investment objective to maintain a constant net asset value while generating a slightly higher yield than the money market fund. Generally, there are no restrictions on a participant's ability to redeem their investment in the common collective trust at the investment's net asset value (NAV). However, withdrawals prompted by certain events (e.g., termination of the managed income portfolio, changes in laws or regulations) may restrict a participant's ability to redeem the investment at its NAV.

## 5. Related Party Transactions

Certain Plan investments are shares of mutual funds, shares of a common collective trust, shares of a unitized common stock fund and a money market fund managed by Fidelity Management Trust Company. Fidelity Management Trust Company is the trustee,



recordkeeper, and custodian as defined by the Plan and, therefore, these transactions qualify as exempt party-in-interest transactions.

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**Retirement and Savings Plan**

**Notes to Financial Statements**

**6. Income Tax Status**