

REGAL BELOIT CORP  
Form S-3/A  
March 29, 2005

As filed with the Securities and Exchange Commission on March 29, 2005

Registration No. 333-122823

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SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

AMENDMENT NO. 1  
TO  
FORM S-3  
REGISTRATION STATEMENT  
Under  
THE SECURITIES ACT OF 1933

**REGAL-BELOIT CORPORATION**

(Exact name of registrant as specified in its charter)

**Wisconsin**  
(State or other jurisdiction of incorporation or organization)

**39-0875718**  
(IRS Employer Identification No.)

**200 State Street**  
**Beloit, Wisconsin 53511-6254**  
**(608) 364- 8800**

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

**Henry W. Kneuppel**  
**President and Chief Operating Officer**  
**REGAL-BELOIT Corporation**  
**200 State Street**  
**Beloit, Wisconsin 53511-6254**  
**(608) 364-8800**

(Name, address, including zip code, and telephone number,  
including area code, of agent for service)

*with a copy to:*

**Benjamin F. Garmer, III**  
**Jay O. Rothman**  
**Foley & Lardner LLP**  
**777 East Wisconsin Avenue**  
**Milwaukee, Wisconsin 53202**  
**(414) 271-2400**

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**Approximate date of commencement of proposed sale to the public:** From time to time after the effective date of the registration statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, please 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, please 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(c) 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 delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box.

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**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 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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The information in this 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 is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where this offer or sale is not permitted.

Subject to Completion March 29, 2005

## REGAL-BELOIT CORPORATION

**\$90,000,000 Common Stock**

**4,559,048 Shares of Common Stock  
Offered by a Selling Shareholder**

We may offer the common stock described in this prospectus at prices and on terms to be determined at or prior to the time of sale. In addition, the selling shareholder named in this prospectus may offer and sell up to 4,559,048 shares of our common stock under this prospectus at prices and on terms to be determined at or prior to the time of sale. As described in this prospectus under the caption "Use of Proceeds", we may receive a portion of the proceeds from sales of the shares by the selling shareholder pursuant to the terms of a shareholder agreement with the selling shareholder.

This prospectus describes the general manner in which our common stock may be offered using this prospectus. We will provide specific information about any offerings of our common stock in supplements to this prospectus. We encourage you to read this prospectus and the accompanying prospectus supplement carefully before you make your investment decision.

Shares of our common stock are traded on the New York Stock Exchange under the symbol "RBC". The last sale price of our common stock reported on the New York Stock Exchange on March 28, 2005 was \$29.71 per share.

**Investing in our common stock involves risks. See "Risk Factors" on page 3.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

The date of this prospectus is \_\_\_\_\_, 2005.

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## ABOUT THIS PROSPECTUS

In this prospectus, REGAL-BELOIT, company, we, us, and our refer to REGAL-BELOIT Corporation and its subsidiaries, except where the context otherwise requires or as otherwise indicated.

This prospectus is part of a registration statement that we have filed with the Securities and Exchange Commission using a shelf registration process. Under the shelf registration process, we may offer from time to time in one or more offerings shares of common stock having an aggregate public offering price not to exceed \$90,000,000. In addition, the selling shareholder, General Electric Company, or GE, may offer from time to time in one or more offerings up to an aggregate of 4,559,048 shares of our common stock issued to GE in connection with our December 2004 acquisition of the Heating, Ventilation and Air Conditioning/Refrigeration (HVAC) motors and capacitors businesses of GE.

Each time that we sell shares of common stock under this prospectus, we will provide a prospectus supplement that will contain specific information about the terms of that offering. GE may sell none, some or all of the shares of common stock offered by GE under this prospectus. Each time GE sells shares of common stock under this prospectus, a prospectus supplement will be provided that will contain specific information about the terms of that offering. Any prospectus supplement may include a discussion of any risk factors or other special considerations applicable to those securities. Any prospectus supplement may also add, update or change information in this prospectus. You should read both this prospectus and any prospectus supplement together with additional information described under the heading "Where You Can Find More Information." If there is any inconsistency between the information in this prospectus and any prospectus supplement, you should rely on the information in the prospectus supplement.

You should rely only on the information contained or incorporated by reference in this prospectus and any applicable prospectus supplement. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. You should assume that the information appearing in this prospectus and any applicable prospectus supplement is accurate as of the dates on their respective covers, regardless of time of delivery of this prospectus and any applicable prospectus supplement or any sale of securities. Our business, financial condition, results of operations and prospects may have changed since those dates.

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## FORWARD-LOOKING STATEMENTS

This prospectus, and any applicable prospectus supplement, and the documents incorporated by reference may contain forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements represent our management's judgment regarding future events. In many cases, you can identify forward-looking statements by terminology such as may, will, should, plan, expect, anticipate, estimate, believe, predict, intend, potential or continue or the negative of those words of similar import, although some forward-looking statements are expressed differently. All statements other than statements of historical fact included in this prospectus or any prospectus supplement and the documents incorporated by reference in this prospectus and any prospectus supplement regarding our financial position, business strategy and plans or objectives for future operations are forward-looking statements. We cannot guarantee the accuracy of the forward-looking statements, and you should be aware that results and events could differ materially and adversely from those contained in the forward-looking statements due to a number of factors, including:

unexpected issues and costs arising from the integration of acquired companies and businesses, such as our recent acquisitions of the HVAC motors and capacitors businesses and the Commercial AC motors business from GE;

marketplace acceptance of our recent acquisitions, including the loss of, or a decline in business from, any significant customers;

unanticipated fluctuations in commodity prices and raw material costs and issues affecting our ability to pass increased costs on to our customers;

cyclical downturns affecting the markets for capital goods;

substantial increases in interest rates that impact the cost of our outstanding debt;

the success of our management in increasing sales and maintaining or improving the operating margins of our businesses;

actions taken by our competitors;

difficulties in staffing and managing foreign operations;

our ability to satisfy various covenant requirements under our credit facility; and

other risks and uncertainties described from time to time in our reports filed with the U.S. Securities and Exchange Commission, which are incorporated by reference.

We urge you to consider these factors and to review carefully the section captioned "Risk Factors" in this prospectus and the accompanying prospectus supplement, as well as the other factors described in the documents incorporated by reference into this prospectus and the prospectus supplement, for a more complete discussion of the risks associated with an investment in our common stock. All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the applicable

cautionary statements. The forward-looking statements included in this prospectus and any accompanying prospectus supplement are made only as of their respective dates, and we undertake no obligation to update these statements to reflect subsequent events or circumstances.

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## THE COMPANY

### General Overview

We are a leading manufacturer and marketer of industrial and commercial electric motors, electric power generators and controls and mechanical motion control products, serving markets predominantly in the United States as well as throughout the world. Our products are used in a variety of essential industrial applications, and we believe we have one of the most comprehensive product lines in the markets we serve.

Our business is organized in two segments: our electrical group and our mechanical group. Our electrical group manufactures and markets a full line of alternating current (AC) and direct current (DC) industrial and commercial electric motors, electric power generators and controls, and electrical connecting devices. Our mechanical group manufactures and markets a broad array of mechanical products, including gears and gearboxes, marine transmissions, high-performance automotive transmissions and ring and pinions, manual valve actuators, and cutting tools. We sell our products directly to original equipment manufacturers, or OEMs, and distributors across many markets. Our two business segments are divided into multiple business units, with each unit typically having its own branded product offering and sales organization. These sales organizations consist of varying combinations of our own internal direct sales people as well as exclusive and non-exclusive manufacturers representative organizations.

Our company has grown significantly through acquisitions, and maintaining our long-term rate of growth is dependent on continuing our acquisition strategy. Since 1980, our current management team has completed 25 acquisitions, including our recent acquisitions of the HVAC motors and capacitors businesses and the Commercial AC motors business of GE discussed below. We continuously evaluate potential acquisitions of complementary businesses, some of which could be material if completed.

### Acquisition of Businesses from GE

On December 31, 2004, we acquired the HVAC motors and capacitors businesses of GE. Based on the trading price of our common stock as of the closing of the acquisition, the purchase price for the acquisition was approximately \$400 million and consisted of \$270 million in cash and the issuance of 4,559,048 shares of our common stock to GE. The HVAC motors business, which represents approximately 90% of the revenues of the acquired operations, produces a full line of electric motors for use in residential and commercial HVAC systems. The capacitors business represents the balance of the revenues and produces a line of capacitors used in HVAC, high intensity lighting and other applications. On August 30, 2004, we acquired the Commercial AC motors business from GE for approximately \$72.5 million in cash.

These acquisitions are consistent with our strategy of expanding our electrical product lines, end markets and global manufacturing capabilities. As a result of these acquisitions, we believe we are now the largest producer of commercial and industrial electric motors in the United States, as well as the leading producer of HVAC motors. With the closing of these acquisitions, we now possess strategically located, low cost manufacturing capabilities in China, Mexico and India.

### Corporate Information

Our principal executive offices are located at 200 State Street, Beloit, Wisconsin 53511-6254, and our telephone number is (608) 364-8800. Our website address is [www.regal-beloit.com](http://www.regal-beloit.com). However, the information contained on our website is not part of this prospectus or any prospectus supplement.

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## RISK FACTORS

*Before making an investment in shares of our common stock, you should carefully consider the following risk factors, in addition to the other information included or incorporated by reference in this prospectus and the accompanying prospectus supplement. The risks set out below are not the only risks we face. If any of the following risks occur, our business, financial condition or results of operations would likely suffer. In that case, the trading price of our common stock could decline, and you may lose all or part of the money you paid to buy the common stock.*

## Risks Related to Our Business

### *Our future success depends on our ability to integrate effectively acquired companies and manage our growth.*

On August 30, 2004, we completed the acquisition of GE's commercial AC motor business. On December 31, 2004, we completed the acquisition of the HVAC motors and capacitors businesses of GE. With these two acquisitions, we have more than doubled the number of our employees to over 10,000 (with more than 3,600 new employees in Mexico and 1,600 new employees in India, including temporary workers), added five manufacturing operations in the United States, Mexico, India and China, and significantly increased our revenue and cost structures.

Realization of the benefits of these GE acquisitions requires the integration of some or all of the sales and marketing, distribution, manufacturing, engineering, finance and administrative operations and information of the newly acquired businesses. Combined, these GE acquisitions constitute the largest acquisitions we have completed to date and, although GE has agreed to provide various services to us during a transition period, the magnitude of these acquisitions may present significant integration challenges and costs to us. The successful integration of these businesses will require substantial attention from our senior management and the management of the acquired businesses, which will decrease the time that they have to serve and attract customers. In addition, we continue to pursue new acquisitions, some of which could be material to our business if completed. We cannot assure you that we will be able to integrate successfully our recent acquisitions or any future acquisitions, that these acquired companies will operate profitably, or that we will realize the potential benefits from these acquisitions. Our financial condition, results of operations, and cash flows could be materially and adversely affected if we do not successfully integrate the new businesses.

### *Our dependence on, and the price of, raw materials may adversely affect our profits.*

The principal raw materials used to produce our products are copper, aluminum and steel. We source raw materials on a global or regional basis, and the prices of those raw materials are susceptible to significant price fluctuations due to supply/demand trends, transportation costs, government regulations and tariffs, changes in currency exchange rates, price controls, the economic climate and other unforeseen circumstances. If we are unable to pass on raw materials price increases to our customers, our future profitability may be materially adversely affected.

### *In our HVAC motor business, we depend on revenues from several significant customers, and any loss, cancellation or reduction of, or delay in, purchases by these customers could harm our business.*

Several significant customers of our HVAC motors business represent a significant portion of our revenues. Collectively, net sales to our ten largest HVAC customers represented approximately 26% percent of pro forma 2004 net sales, after giving effect to the GE acquisitions. Our success will depend on our continued ability to develop and manage relationships with these customers. We expect that significant customer concentration will continue for the foreseeable future in our HVAC motor business. Our dependence in the HVAC motor business on sales from a relatively small number of customers makes our relationship with each of these customers important to our business. We cannot assure you that we will be able to retain significant customers. Some of our customers may in the future shift some or all of their purchases of products from us to our competitors or to other sources. The loss of one or more of our largest customers, any reduction or delay in sales to these customers, our inability to develop relationships successfully with additional customers, or future price concessions that we may make could significantly harm our business.

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### *We increasingly manufacture our products outside the United States, which may present additional risks to our business.*

As a result of our recent acquisitions, a significant portion of our net sales are attributable to products manufactured outside of the United States, principally in Mexico, India and China. Approximately half of our over 10,000 total employees and 10 of our 32 principal manufacturing facilities are located outside the United States. International operations generally are subject to various risks, including political, religious, societal, and economic instability, local labor market conditions, the imposition of foreign tariffs and other trade restrictions, the impact of foreign government regulations, and the effects of income and withholding tax, governmental expropriation, and differences in business practices. We may incur increased costs and experience delays or disruptions in product deliveries and payments in connection with international manufacturing and sales that could cause loss of revenue. Unfavorable changes in the political, regulatory, and business climate in countries where we have operations could have a material adverse effect on our financial condition, results of operations, and cash flows.

### *Cyclicality adversely affects us.*

Our business is cyclical and dependent on industrial and consumer spending and is therefore impacted by the strength of the economy generally, interest rates and other factors. Economic factors adversely affecting original equipment manufacturer production and consumer spending could adversely impact us. During periods of expansion in original equipment manufacturer production, we generally have benefited

from increased demand for our products. Conversely, during recessionary periods, we have been adversely affected by reduced demand for our products.

***We operate in highly competitive electric motor, power generation and mechanical motion control markets.***

The electric motor, power generation and mechanical motion control markets are highly competitive. Some of our competitors are larger and have greater financial and other resources than we do. There can be no assurance that our products will be able to compete successfully with the products of these other companies.

The failure to obtain business with new products or to retain or increase business with redesigned existing or customized products could also adversely affect our business. It may be difficult in the short-term for us to obtain new sales to replace any unexpected decline in the sale of existing or customized products. We may incur significant expense in preparing to meet anticipated customer requirements, which may not be recovered.

There is substantial and continuing pressure from the major original equipment manufacturers and larger distributors to reduce costs, including the cost of products purchased from outside suppliers such as us. As a result of the cost pressures of our customers, our ability to compete depends in part on our ability to generate production cost savings and, in turn, find reliable, cost effective outside suppliers to manufacture and source components of our products. If we are unable to generate sufficient production or sourcing cost savings in the future to offset price reductions, then our gross margin could be adversely affected.

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***Our leverage could adversely affect our financial health and make us vulnerable to adverse economic and industry conditions.***

We have incurred indebtedness that is substantial relative to our shareholders' investment. Our indebtedness has important consequences. For example, it could:

make it difficult for us to fulfill our obligations under our credit and other debt agreements;

make it more challenging for us to obtain additional financing to fund our business strategy and acquisitions, debt service requirements, capital expenditures, and working capital;

increase our vulnerability to interest rate changes and general adverse economic and industry conditions;

require us to dedicate a substantial portion of our cash flow from operations to service our indebtedness, thereby reducing the availability of our cash flow to finance acquisitions and to fund working capital, capital expenditures, research and development efforts and other general corporate activities;

limit our flexibility in planning for, or reacting to, changes in our business and our markets; and

place us at a competitive disadvantage relative to our competitors that have less debt.

In addition, our credit facility requires us to maintain specified financial ratios and satisfy certain financial condition tests, which may require that we take action to reduce our debt or to act in a manner contrary to our business objectives. If an event of default under our credit facility occurs, then the lenders could elect to declare all amounts outstanding under the credit facility, together with accrued interest, to be immediately due and payable.

***Our sales of products incorporated into HVAC systems are seasonal and affected by the weather; mild or cooler weather could have an adverse effect on our operating performance.***

Many of our motors are incorporated into HVAC systems that OEMs sell to end users. The number of installations of new and replacement HVAC systems or components is higher during the spring and summer seasons due to the increased use of air conditioning during warmer months. Mild or cooler weather conditions during the spring and summer seasons often result in end users deferring the purchase of new or replacement HVAC systems or components. As a result, prolonged periods of mild or cooler weather conditions in the spring or summer seasons in broad geographical areas could have a negative impact on the demand for our HVAC motors and, therefore, could have an adverse effect on our operating performance. In addition, due to variations in weather conditions from year to year, our operating performance in any single year may not be indicative of our performance in any future year.

Our sales of products incorporated into HVAC systems are seasonal and affected by the weather; mild or cooler weather

*We may be adversely impacted by an inability to identify and complete acquisitions.*

A substantial portion of our growth in the past five years has come through acquisitions, and an important part of our growth strategy is based upon acquisitions. We may not be able to identify and successfully negotiate suitable acquisitions, obtain financing for future acquisitions on satisfactory terms or otherwise complete acquisitions in the future. If we are unable to successfully complete acquisitions, our ability to significantly grow our company will be limited.

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*Goodwill comprises a significant portion of our total assets, and if we determine that goodwill has become impaired in the future, net income in such years may be materially and adversely affected.*

Goodwill represents the excess of cost over the fair market value of net assets acquired in business combinations. Through December 31, 2001, we amortized the cost of goodwill and other intangibles on a straight-line basis over the estimated periods benefited ranging from 5 to 40 years with the amount amortized in a particular period constituting a non-cash expense that reduced our net income. On January 1, 2002, we adopted the provisions of Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangibles", and discontinued the amortization of goodwill. We now review goodwill and other intangibles annually for impairment and any excess in carrying value over the estimated fair value is charged to the results of operations. A reduction in net income resulting from the write down or impairment of goodwill would affect financial results and could have a material and adverse impact upon the market price of our common stock.

*We may suffer losses as a result of foreign currency fluctuations.*

The net assets, net earnings and cash flows from our wholly owned subsidiaries in Mexico and India are based on the U.S. dollar equivalent of such amounts measured in the applicable functional currency. These foreign operations have the potential to impact our financial position due to fluctuations in the local currency arising from the process of re-measuring the local functional currency in the U.S. dollar. Any increase in the value of the U.S. dollar in relation to the value of the local currency will adversely affect our revenues from our foreign operations when translated into U.S. dollars. Similarly, any decrease in the value of the U.S. dollar in relation to the value of the local currency will increase our development costs in our foreign operations, to the extent such costs are payable in foreign currency, when translated into U.S. dollars.

*We may be adversely affected by environmental, health and safety laws and regulations.*

We are subject to various laws and regulations relating to the protection of the environment and human health and safety and have incurred and will continue to incur capital and other expenditures to comply with these regulations. Failure to comply with any environmental regulations could subject us to future liabilities, fines or penalties or the suspension of production. In addition, we are currently involved in some remediation activities at certain sites, none of which we believe is material. If additional cleanup obligations at these or other sites or more stringent environmental laws are imposed in the future, we could be adversely affected.

#### **Risks Related to Our Common Stock**

*We have implemented, and Wisconsin law contains, anti-takeover provisions that may adversely affect the rights of holders of our common stock.*

Our articles of incorporation contain provisions that could have the effect of discouraging or making it more difficult for someone to acquire us through a tender offer, a proxy contest or otherwise, even though such an acquisition might be economically beneficial to our shareholders. These provisions include a board of directors divided into three classes of directors serving staggered terms of three years each and the removal of directors only for cause and only with the affirmative vote of a majority of the votes entitled to be cast in an election of directors. These provisions may make the removal of management more difficult, even in cases where removal would be favorable to the interests of our shareholders. See "Description of Capital Stock - Certain Anti-Takeover Provisions."

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Each currently outstanding share of our common stock includes, and each newly issued share of our common stock will include, a common share purchase right. The rights are attached to and trade with the shares of common stock and generally are not exercisable. The rights will become exercisable if a person or group acquires, or announces an intention to acquire, 15% (20% in the case of GE and its subsidiaries) or more of our outstanding common stock. The rights have some anti-takeover effects and generally will cause substantial dilution to a person or group that attempts to acquire control of us without conditioning the offer on either redemption of the rights or amendment of the rights to prevent this dilution. The rights could have the effect of delaying, deferring or preventing a change of control. See "Description of Capital Stock - Common Share Purchase Rights."

We have implemented, and Wisconsin law contains, anti-takeover provisions that may adversely affect the rights of

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We are subject to the Wisconsin Business Corporation Law, which contains several provisions that could have the effect of discouraging non-negotiated takeover proposals or impeding a business combination. These provisions include:

requiring a supermajority vote of shareholders, in addition to any vote otherwise required, to approve business combinations not meeting adequacy of price standards;

prohibiting some business combinations between an interested shareholder and us for a period of three years, unless the combination was approved by our board of directors prior to the time the shareholder became a 10% or greater beneficial owner of our shares or under some other circumstances;

limiting actions that we can take while a takeover offer for us is being made or after a takeover offer has been publicly announced; and

limiting the voting power of shareholders who own more than 20% of our stock.

### ***Our stock price may be subject to significant fluctuations and volatility.***

The market price of shares of our common stock may be volatile. Among the factors that could affect our common stock price are those discussed above under **Risks Related to Our Business** as well as: o quarterly fluctuation in our operating income and earnings per share results;

decline in demand for our products;

significant strategic actions by our competitors, including new product introductions or technological advances;

fluctuations in interest rates;

cost increases in energy, raw materials or labor;

changes in revenue or earnings estimates or publication of research reports by analysts; and

domestic and international economic and political factors unrelated to our performance.

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In addition, the stock markets have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the trading price of our common stock.

### ***Risks associated with our shareholder agreement with GE and sales of shares by GE.***

On December 31, 2004, we issued 4,559,048 shares of our common stock to GE in connection with our acquisition of its HVAC motors and capacitors businesses. As of March 28, 2005, GE's ownership of our common stock represented approximately 15.7% of our shares outstanding. In connection with the issuance of common stock, we entered into a shareholder agreement with GE. The shareholder agreement requires us to provide GE with opportunities to sell the shares of the common stock under certain circumstances, including an obligation that we use our commercially reasonable best efforts to complete a firm commitment underwritten public offering of at least 3,419,286 shares held by GE within 60 days following the date on which the registration statement of which this prospectus is a part is declared effective by the Securities and Exchange Commission. In addition, beginning on December 31, 2005, until GE holds 1,139,762 or fewer shares of our common stock, it may demand that we conduct subsequent public offerings to sell its shares. Once GE holds 1,139,762 or fewer shares, it may sell those shares at any time through brokerage transactions within the volume limitations of Rule 144 of the 1933 Act. Depending on the number of shares sold by GE, the timing of such sales, and the price at which the sales are made, sales of shares by GE could have a negative impact on the trading price of our common stock and could increase the volatility in the trading price of our common stock.

The shareholder agreement also provides value protection to GE under which we have agreed that, in the event that the aggregate net proceeds received by GE from the sale of all the shares of common stock offered by it under this prospectus are less than \$109 million, we will pay to GE the difference between \$109 million and such aggregate net proceeds, up to a maximum amount of \$20 million.



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## USE OF PROCEEDS

Unless otherwise indicated in the prospectus supplement, we intend to use the net proceeds we receive from the sale of the common stock under this prospectus for general corporate purposes, including repaying, financing or refinancing our debt or other corporate obligations, acquisitions, working capital, capital expenditures, repurchases and redemptions of securities and general and administrative expenses. We will set forth in the particular prospectus supplement our intended use for the net proceeds we receive from the sale of any common stock. Pending the application of the net proceeds, we expect to invest the proceeds in short-term, interest-bearing instruments or other investment-grade securities.

Except as discussed below, we will not receive any of the proceeds from the sale of shares of common stock by GE.

Pursuant to the terms of a shareholder agreement between us and GE, we may be entitled to receive a portion of the net proceeds received by GE from the sale of shares of common stock offered under this prospectus. If the aggregate net proceeds received by GE from the sale of all the shares of common stock offered by it under this prospectus exceeds \$119 million, then we will receive 100% of the aggregate net proceeds received by GE in excess of \$119 million until we have received \$6.7 million (and the aggregate net proceeds received by GE total \$125.7 million). In addition, we will be entitled to receive 50% of the aggregate net proceeds received by GE in excess of \$125.7 million, but only if GE has been able to sell at least 3,419,286 shares of the common stock offered by it under this prospectus within the time period established in the shareholder agreement. Conversely, we have agreed to pay GE the amount by which the aggregate net proceeds received by GE from the sale of the shares is less than \$109 million, up to an amount not to exceed \$20 million.

With respect to any sales of shares of our common stock by GE from time to time in which it sells some, but not all, of the shares offered by it under this prospectus, we may be entitled to receive from GE a portion of the net proceeds received by it in any such sale if the amount by which the net proceeds received by GE in such sale exceeds the proportional targeted net proceeds for such sale. The proportional target for each sale of our common stock offered under this prospectus will equal the product of (a) \$109 million multiplied by (b) the quotient resulting from dividing (i) the number of shares sold in such sale by (ii) 4,559,048. In any such sale, we will receive from GE a payment equal to 100% of the proceeds in excess of the proportional target, until we have received an aggregate of \$6.7 million from all previous sales, plus 50% of any additional excess proceeds above \$6.7 million as long as GE has been able to sell at least 3,419,286 shares of the common stock offered by it under this prospectus within the time period established in the shareholder agreement. We will only be entitled to such payments from GE if, in connection with all shares sold in a particular sale together with all shares sold in all prior sales, GE has received aggregate net proceeds that exceed the sum of the proportional targeted net proceeds for all such prior sales by \$10 million. Similarly, in connection with sales of shares of our common stock by GE from time to time in which it sells some, but not all, of the shares offered under this prospectus, any payments that we may be required to make to GE, as described in the last sentence of the preceding paragraph, will be made on a proportionate, per sale basis.

Following the sale by GE of all of the shares offered by it under this prospectus, we and GE will adjust all prior payments described in the preceding paragraph to ensure that the aggregate amount of payments made between GE and us are consistent with the principles set forth in the third paragraph of this Use of Proceeds section.

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The value sharing mechanism under the shareholder agreement for the aggregate net proceeds received by GE from the sale of shares of our common stock is illustrated in the following table based on various assumed amounts of net proceeds received by GE in those sales:

(\$ in millions, except per share amounts)

**Net Proceeds Received by GE upon  
Sale of Shares of Our Common Stock**

| <u>Aggregate</u> | <u>Per Share</u>   | <u>Incremental Value Sharing</u>   |
|------------------|--------------------|--|
| \$125.7 or more  | \$27.57 or more    | We would receive \$6.7 of the net proceeds plus 50% of the net proceeds received by GE in excess of \$125.7. |
| \$119 to \$125.7 | \$26.10 to \$27.57 | We would receive up to \$6.7 of net proceeds received by GE.   |
| \$109 to \$119   | \$23.91 to \$26.10 | We would receive no net proceeds received by GE.   |
| \$89 to \$109    | \$19.52 to \$23.91 | We would be required to pay to GE up to \$20.  |
| \$89 or less     | \$19.52 or less    | We would be required to pay GE \$20, and GE would retain all remaining downside risk.                        |

The foregoing summary of the terms of the shareholder agreement is subject to and qualified in its entirety by reference to the shareholder agreement, which is incorporated by reference into this prospectus.

## DESCRIPTION OF CAPITAL STOCK

The following description is a summary of elements of our capital stock and is subject to and qualified in its entirety by reference to the more complete descriptions set forth in our articles of incorporation and our rights agreement, which are incorporated by reference into this prospectus.

### Common Stock

We are authorized to issue 50,000,000 shares of common stock, \$.01 par value. All of the issued and outstanding shares of our common stock are fully paid and nonassessable, except for statutory liability under Section 180.0622(2)(b) of the Wisconsin Business Corporation Law for unpaid employee wages.

Our common stock is entitled to such dividends as may be declared from time to time by our board of directors in accordance with applicable law. Our ability to pay dividends is dependent upon a number of factors, including our future earnings, capital requirements, general financial condition, general business conditions and other factors.

Except as provided under Wisconsin law, only the holders of our common stock will be entitled to vote for the election of members to our board of directors and on all other matters. Holders of our common stock are entitled to one vote per share of common stock held by them on all matters properly submitted to a vote of shareholders, subject to Section 180.1150 of the Wisconsin Business Corporation Law. See Statutory Provisions. Shareholders have no cumulative voting rights, which means that the holders of shares entitled to exercise more than 50% of the voting power are able to elect all of the directors to be elected. Our board of directors is divided into three classes, with staggered terms of three years each.

All shares of common stock are entitled to participate equally in distributions in liquidation. Holders of common stock have no preemptive rights to subscribe for or purchase our shares. There are no conversion rights, sinking fund or redemption provisions applicable to our common stock. We do not have the authority to issue any shares of preferred stock.

The transfer agent for our common stock is EquiServe Trust Company, N.A. (P.O. Box 219045, Kansas City, Missouri 64121-9045; Investor Relations Telephone Number 816-843-4299).

## Common Share Purchase Rights

We have entered into a rights agreement pursuant to which each outstanding share of our common stock has attached a right to purchase one-half of one share of our common stock. Each share of our common stock subsequently issued by us prior to the expiration of the rights agreement will likewise have attached a right. Under circumstances described below, the rights will entitle the holder of the rights to purchase additional shares of our common stock. Unless the context requires otherwise, all references in this prospectus to our common stock include the accompanying rights.

Currently, the rights are not exercisable and trade with our common stock. If the rights become exercisable, then each full right, unless held by a person or group that beneficially owns more than 15% (20% in the case of GE and its subsidiaries, as discussed below) of our outstanding common stock, will initially entitle the holder to purchase one-half of one share of our common stock at a purchase price of \$60 per full share, or \$30 per half share, subject to adjustment. The rights will become exercisable only if a person or group has acquired, or announced an intention to acquire, 15% (20% in the case of GE and its subsidiaries, as discussed below) or more of our outstanding common stock. Under some circumstances, including the existence of a 15% acquiring party (20% in the case of GE and its subsidiaries, as discussed below), each holder of a right, other than the acquiring party, will be entitled to purchase at the right's then-current exercise price, shares of our common stock having a market value of two times the exercise price. If another corporation acquires us after a party acquires 15% (20% in the case of GE and its subsidiaries, as discussed below) or more of our common stock, then each holder of a right will be entitled to receive the acquiring corporation's common shares having a market value of two times the exercise price. The rights may be redeemed at a price of \$0.001 until a party acquires 15% (20% in the case of GE and its subsidiaries, as discussed below) or more of our common stock and, after that time, may be exchanged for one share of our common stock per right until a party acquires 50% or more of our common stock. The rights expire on January 28, 2010, subject to extension. Under the rights agreement, our board of directors may reduce the thresholds applicable to the rights from 15% to not less than 10%. The rights do not have voting or dividend rights and, until they become exercisable, have no dilutive effect on our earnings.

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In connection with the issuance of 4,559,048 shares of our common stock (approximately 18.6% of our outstanding common stock on December 31, 2004) to GE, we amended our rights agreement to provide that GE and its subsidiaries will not trigger the rights set forth in the rights agreement unless GE and its subsidiaries become the beneficial owner of 20% (rather than 15% for all other beneficial owners) or more of our outstanding common stock; provided, however, that from and after the first time GE and its subsidiaries cease to be the beneficial owner of at least 15% of our outstanding common stock, GE and its subsidiaries may trigger the rights set forth in the rights agreement if GE and its subsidiaries thereafter become the beneficial owner of 15% or more of our outstanding common stock.

The rights will not be triggered if a person or group becomes a beneficial owner of 15% (20% in the case of GE and its subsidiaries) or more of our outstanding common stock as a result of an acquisition of our common stock by us, which, by reducing the number of shares outstanding, increases the proportionate number of shares beneficially owned by such person to 15% (20% in the case of GE and its subsidiaries).

## 2.75% Convertible Senior Subordinated Notes

We have issued \$115,000,000 aggregate principal amount of our 2.75% convertible senior subordinated notes due 2024 in a private placement to institutional investors. The terms of the notes are set forth in an indenture between us and U.S. Bank National Association, as trustee. The following description is only a summary of the material terms of the notes and is subject to and qualified in its entirety by reference to the more complete description set forth in the indenture which is incorporated by reference into this prospectus. Pursuant to a registration rights agreement executed in connection with the sale of the notes, we have registered the notes (and the shares of our common stock into which the notes may be converted) for resale from time to time by the noteholders to the public.

We pay interest on the notes on March 15 and September 15 of each year. We will pay contingent cash interest for any specified six-month period commencing March 20, 2009 if the average trading price of a note during a five trading-day period preceding such six-month period equals 120% or more of the principal amount of the notes. The contingent cash interest payable per note in respect of any six-month period will equal 0.25% of the average trading price of a note for such five trading-day period.

Subject to our cash settlement election discussed below, each \$1,000 principal amount of the notes will be convertible at the holder's option into 39.1179 shares of our common stock, subject to adjustment in some cases, prior to stated maturity only under the following circumstances:

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during any fiscal quarter commencing after June 30, 2004 if the sale price of our common stock for at least 20 trading days in the 30 trading-day period ending on the last trading day of the preceding fiscal quarter exceeds 130% of the conversion price on that 30th trading day;

subject to some exceptions, during the five business day period after any five consecutive trading-day period in which the trading price per note for each day of that measurement period was less than 98% of the product of the closing sale price of our common stock and the number of shares issuable upon conversion of \$1,000 principal amount of the notes;

if we have called the notes for redemption; or

upon the occurrence of specified corporate transactions described in the indenture.

Under the indenture, we initially had the right upon conversion of notes to deliver, in lieu of our common stock, cash or a combination of cash and shares of our common stock. We have irrevocably elected to satisfy 100% of our conversion obligation arising upon conversion of any notes with respect to the principal amount of the notes converted solely in cash, with any remaining amount of our conversion obligations to be satisfied, at our sole option, in cash, shares of our common stock or a combination of cash and common stock. We have amended the indenture to establish our irrevocable cash settlement election.

We may redeem some or all of the notes for cash on or after March 20, 2009. A holder of the notes may require us to repurchase for cash all or a portion of the notes on March 15, 2009, 2014 or 2019, or, subject to specified exceptions, if we experience a fundamental change, as defined in the indenture.

The notes are our general unsecured obligations ranking junior in right of payment to all our existing and future senior debt.

#### **Certain Anti-Takeover Provisions**

Under our articles of incorporation, our board of directors is divided into three classes of directors serving staggered terms of three years each. Each class is to be as nearly equal in number as possible, with one class being elected each year. Our articles of incorporation also provide that:

directors may be removed from office only for cause and only with the affirmative vote of a majority of the votes entitled to be cast at an election of directors;

any vacancy on the board of directors or any newly created directorship may be filled by the remaining directors then in office, though less than a quorum; and

our shareholders have no cumulative voting rights, which means that the holders of shares of our common stock entitled to exercise more than 50% of the voting power are able to elect all of the directors to be elected.

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#### **Statutory Provisions**

Section 180.1150 of the Wisconsin Business Corporation Law provides that the voting power of shares of public Wisconsin corporations such as us held by any person or persons acting as a group in excess of 20% of our voting power is limited to 10% of the full voting power of those shares, unless full voting power of those shares has been restored pursuant to a vote of shareholders. Sections 180.1140 to 180.1144 of the Wisconsin Business Corporation Law contain some limitations and special voting provisions applicable to specified business combinations

involving Wisconsin corporations such as us and a 10% shareholder, unless the board of directors of the corporation approves the business combination or the shareholder's acquisition of shares before these shares are acquired. Similarly, Sections 180.1130 to 180.1133 of the Wisconsin Business Corporation Law contain special voting provisions applicable to some business combinations involving public Wisconsin corporations, unless specified minimum price and procedural requirements are met. Following commencement of a takeover offer, Section 180.1134 of the Wisconsin Business Corporation Law imposes special voting requirements on share repurchases effected at a premium to the market and on asset sales by the corporation, unless, as it relates to the potential sale of assets, the corporation has at least three independent directors and a majority of the independent directors vote not to have the provision apply to the corporation.

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**SELLING SHAREHOLDER**

GE and its successors or permitted transferees may from time to time offer and sell up to an aggregate of 4,559,048 shares of our common stock pursuant to this prospectus and any applicable prospectus supplement.

The table below sets forth the number of shares beneficially owned by GE as of March 28, 2005. GE has not committed to sell any shares under this prospectus. No estimate can be given as to the amount of our common stock that will be beneficially owned after the completion of this offering because GE may offer all, some or none of the shares of our common stock beneficially owned by GE. The shares offered by this prospectus may be offered from time to time by GE.

| <u>Name of Selling Shareholder</u>                                      | <u>Number of Shares Beneficially Owned</u> | <u>Percentage of Outstanding Shares</u> | <u>Number of Shares Offered</u> |
|---|--|---|---------------------------------|
| General Electric Company<br>3135 Easton Turnpike<br>Fairfield, CT 06828 | 4,559,048                                  | 15.7                                    | 4,559,048                       |

On August 30, 2004, we acquired the Commercial AC motors business from GE for approximately \$72.5 million in cash. We and GE have entered into several transitional service, license, supply and other commercial agreements for various periods of time that relate to the Commercial AC motors business we acquired.

On December 31, 2004, we acquired the HVAC motors and capacitors businesses from GE. Based on the trading price of our common stock as of the closing of the acquisition, the purchase price we paid was approximately \$400 million, including the issuance of an aggregate of 4,559,048 shares of common stock to GE. We and GE have entered into several transitional service, license, supply and other commercial agreements for various periods of time that relate to the HVAC motors and capacitors businesses we acquired.

Pursuant to the terms of a shareholder agreement between us and GE, we agreed to file with the U.S. Securities and Exchange Commission the shelf registration statement of which this prospectus is a part covering resales of all 4,559,048 shares of common stock issued to GE in connection with the acquisition. We have also agreed in the shareholder agreement to use our commercially reasonable best efforts to complete a firm commitment underwritten public offering of at least 3,419,286 of the shares held by GE within 60 days following the date the shelf registration statement is declared effective. The shareholder agreement also grants demand rights to GE requiring us, subject to specified conditions and requirements, to file a prospectus supplement or amendment to the shelf registration statement to cover the sale of the registered shares through firm commitment underwritten public offerings. We have also granted piggy-back registration rights to GE requiring us to include, at GE's request, the shares of our common stock held by GE, subject to specified conditions and requirements, in a registration of

securities by us or other shareholders. The shareholder agreement also obligates us to pay the expenses of these registrations and to take other actions as are reasonably required to facilitate the sales of our common stock by GE in these transactions.

In the shareholder agreement, GE has agreed to limitations on the manner and timing of sales of our common stock by it and the number of shares that it can sell in those sales. In addition, GE has agreed not to purchase or otherwise acquire any additional shares of our common stock or to seek to control or influence our management, board of directors or policies, subject to exceptions, for a period of time ending on the earlier to occur of:

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the second anniversary of the date on which GE first owns shares constituting less than 5% of the then outstanding shares of our common stock; or

the date upon which a change of control of the company occurs.

As discussed above in this prospectus under the caption *Use of Proceeds*, pursuant to the terms of the shareholder agreement, in the event that the aggregate net proceeds received by GE from the sale of all the shares of common stock offered by it under this prospectus exceeds \$119 million, we will receive 100% of the aggregate net proceeds received by GE in excess of \$119 million until we have received \$6.7 million (and the aggregate net proceeds received by GE total \$125.7 million). In addition, we will be entitled to receive 50% of the aggregate net proceeds received by GE in excess of \$125.7 million, but only if GE has been able to sell at least 3,419,286 shares of the common stock offered by it under this prospectus within the time period established in the shareholder agreement. Conversely, we have agreed to pay to GE the amount by which the aggregate net proceeds received by GE from the sale of the shares is less than \$109 million, up to an amount not to exceed \$20 million. Following the sale by GE of all of the shares offered by it under this prospectus, we and GE will adjust all prior payments described in the fourth paragraph under the section caption *Use of Proceeds* in this prospectus to ensure that the aggregate amount of payments made between GE and us are consistent with the principles set forth in this paragraph.

To our knowledge, except for the shareholder agreement and the other transactions entered into in connection with our acquisition of the Commercial AC motors business, HVAC motors and capacitors businesses from GE, neither GE nor any of its affiliates, officers, directors or principal equity holders has held any position or office with, been employed by or otherwise had any material relationship with us or our affiliates during the three years prior to the date of this prospectus.

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#### PLAN OF DISTRIBUTION

We or GE may sell the securities covered by this prospectus in one or more of the following ways from time to time:

to or through underwriters or dealers, including (after GE owns less than 1,139,762 shares) in a block trade in which a dealer will attempt to sell a block of securities as agent but may position and resell a portion of the block as principal to facilitate the transaction;

directly to purchasers or to a single purchaser;

through agents; or

any combination of these.

The securities may be distributed at:

a fixed price, which may be changed;

market prices prevailing at the time of sale;

prices related to the prevailing market price; or

negotiated prices.

## **General**

Underwriters, dealers, agents and remarketing firms that participate in the distribution of the offered securities may be underwriters as defined in the Securities Act of 1933. Any discounts or commissions they receive from us or GE and any profits they receive on the resale of the offered securities may be treated as underwriting discounts and commissions under the Securities Act of 1933. We will identify any underwriters, agents or dealers and describe their commissions, fees or discounts in the applicable prospectus supplement.

## **Agents**

We or GE may designate agents to sell the securities. The agents will agree to use their best efforts to solicit purchases for the period of their appointment. We or GE may also sell the securities to one or more remarketing firms, acting as principals for their own accounts or as agents for us. These firms will remarket the securities upon purchasing them.

## **Underwriters**

If underwriters are used in a sale, then they will acquire the offered securities for their own account. The underwriters may resell the securities in one or more transactions, including negotiated transactions. These sales will be made at a fixed public offering price or at varying prices determined at the time of the sale. We may offer the securities to the public through an underwriting syndicate or through a single underwriter.

Unless the applicable prospectus supplement states otherwise, the obligations of the underwriters to purchase the offered securities will be subject to certain conditions contained in an underwriting agreement that we and/or GE will enter into with the underwriters at the time of the sale of the securities. The underwriters will be obligated to purchase all of the securities if any of the securities are purchased, unless the applicable prospectus supplement says otherwise. Any public offering price and any discounts or concessions allowed, reallocated or paid to dealers may be changed from time to time.

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## **Dealers**

We or GE may sell the offered securities to dealers as principals. The dealer may resell such securities to the public either at varying prices to be determined by the dealer or at a fixed offering price agreed to with us at the time of resale.

## **Direct Sales**

We or GE may choose to sell the offered securities directly. In this case, no underwriters or agents would be involved.

## **Institutional Purchasers**

We or GE may authorize agents, dealers or underwriters to solicit certain institutional investors to purchase offered securities on a delayed basis pursuant to delayed delivery contracts providing for payment and delivery on a specified future date. The applicable prospectus supplement will provide the details of any such arrangement, including the offering price and commissions payable on the solicitations.

We or GE will enter into such delayed contracts only with institutional purchasers that we or GE approve. These institutions may include commercial and savings banks, insurance companies, pension funds, investment companies and educational and charitable institutions.

### **Indemnification; Other Relationships**

We or GE may have agreements with agents, underwriters, dealers and remarketing firms to indemnify them against certain civil liabilities, including liabilities under the Securities Act of 1933. Agents, underwriters, dealers and remarketing firms, and their affiliates, may engage in transactions with, or perform services for, us or GE in the ordinary course of business. This includes commercial banking and investment banking transactions. We and GE have each agreed to indemnify the other party against certain liabilities arising in connection with the offer of shares under this prospectus.

### **Market Making, Stabilization and Other Transactions**

Any underwriter may engage in stabilizing transactions, syndicate covering transactions and penalty bids in accordance with Rule 104 under the Securities Exchange Act of 1934. Stabilizing transactions involve bids to purchase the underlying security in the open market for the purpose of pegging, fixing or maintaining the price of the offered securities. Syndicate covering transactions involve purchases of the securities in the open market after the distribution has been completed to cover syndicate short positions.

Penalty bids permit the underwriters to reclaim a selling concession from a syndicate member when the securities originally sold by the syndicate member are purchased in a syndicate covering transaction to cover syndicate short positions. Stabilizing transactions, syndicate covering transactions and penalty bids may cause the price of the securities to be higher than it would be in the absence of the transactions. The underwriters may, if they commence these transactions, discontinue them at any time.

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## **WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and current reports, proxy statements and other information with the SEC. We also filed a registration statement on Form S-3, including exhibits, under the Securities Act of 1933 with respect to the securities offered by this prospectus. This prospectus is a part of the registration statement, but does not contain all of the information included in the registration statement or the exhibits. You may read and copy the registration statement and any other document that we file at the SEC's public reference room at 450 Fifth Street, N.W., Washington D.C. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference room. You can also find our public filings with the SEC on the internet at a web site maintained by the SEC located at <http://www.sec.gov>.

## **INCORPORATION OF INFORMATION BY REFERENCE**

We are incorporating by reference specified documents that we file with the SEC, which means:

incorporated documents are considered part of this prospectus;

we are disclosing important information to you by referring you to those documents; and

information we file with the SEC will automatically update and supersede information contained in this prospectus.

We incorporate by reference the documents listed below and any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 after the date of this prospectus and before the end of the offering of the securities pursuant to this prospectus:

our Annual Report on Form 10-K for our fiscal year ended December 31, 2003;

our Current Reports on Form 8-K dated December 30, 2004, December 31, 2004 (as amended by Form 8-K/A on February 14, 2005), January 11, 2005, January 26, 2005, and January 26, 2005 (as amended by Form 8-K/A on February 14, 2005), January 11, 2005, January 26, 2005, and January 26, 2005 (as amended by Form 8-K/A on February 11, 2005); and

the description of our common stock and common share purchase rights contained in our Registration Statement on Form 8-A, filed January 18, 2005, including any amendment or report filed for the purpose of updating such description.



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Information in this prospectus supersedes related information in the documents listed above, and information in subsequently filed documents supersedes related information in both this prospectus and the incorporated documents.

We will promptly provide, without charge to you, upon written or oral request, a copy of any or all of the documents incorporated by reference in this prospectus, other than exhibits to those documents, unless the exhibits are specifically incorporated by reference in those documents. Requests should be directed to:

Corporate Secretary  
REGAL-BELOIT Corporation  
200 State Street  
Beloit, WI 53511  
(608) 364-8800

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### LEGAL MATTERS

Foley & Lardner LLP has passed upon the validity of the common stock on behalf of REGAL-BELOIT.

### EXPERTS

The financial statements and the related financial statement schedules as of December 31, 2004 and 2003, and for each of the three years in the period ended December 31, 2004 and management's report on the effectiveness of internal control over financial reporting as of December 31, 2004 incorporated by reference in this prospectus have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports, which are incorporated by reference herein, and have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

The financial statements of the Commercial AC motors business of GE as of December 31, 2003 and 2002 and for each of the years in the two-year period ended December 31, 2003, which are incorporated in this prospectus by reference to the Current Report on Form 8-K dated September 3, 2004 (as amended by Form 8-K/A on October 12, 2004), and the consolidated financial statements of the HVAC motors and capacitors businesses of GE as of December 31, 2004 and 2003 and for each of the years in the three-year period ended December 31, 2004, which are incorporated in this prospectus by reference to the Current Report on Form 8-K dated December 31, 2004 (as amended by Form 8-K/A on February 14, 2005), have been audited by KPMG LLP, independent auditors, as stated in their reports, which are incorporated herein by reference, and have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

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[OUTSIDE BACK COVER]

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**PART II**
**INFORMATION NOT REQUIRED IN PROSPECTUS****Item 14. Other Expenses of Issuance and Distribution.**

The following table sets forth the costs and expenses, other than underwriting discounts and commissions, payable in connection with the issuance and distribution of the securities being registered.

|   |            |
|---|------------|
| Securities and Exchange Commission filing fee | \$ 27,188  |
| Printing and mailing expenses                 | 75,000     |
| Accounting fees and expenses                  | 100,000    |
| Legal fees and expenses                       | 200,000    |
| Miscellaneous                                 | 47,812     |
|   | <hr/>      |
| Total expenses                                | \$ 450,000 |

All of the above fees and expenses will be paid by Regal-Beloit Corporation (the Registrant). Other than the Securities and Exchange Commission filing fee, all fees and expenses are estimated. The Registrant has agreed, pursuant to a shareholder agreement between the Registrant and GE, dated as of December 31, 2004, to bear the expenses relating to the registration of shares issued to GE in connection with the acquisition of the HVAC motors and capacitors businesses of GE.

**Item 15. Indemnification of Directors and Officers.**

Pursuant to the provisions of the Wisconsin Business Corporation Law and the Registrant's Bylaws, directors and officers of the Registrant are entitled to mandatory indemnification from the Registrants against certain liabilities (which may include liabilities under the Securities Act of 1933) and expenses (i) to the extent such officers or directors are successful in the defense of a proceeding; and (ii) in proceedings in which the director or officer is not successful in defense thereof, unless it is determined that the director or officer breached or failed to perform his or her duties to the Registrant and such breach or failure constituted: (a) a willful failure to deal fairly with the Registrant or its shareholders in connection with a matter in which the director or officer had a material conflict of interest; (b) a violation of criminal law unless the director or officer had a reasonable cause to believe his or her conduct was lawful or had no reasonable cause to believe his or her conduct was unlawful; (c) a transaction from which the director or officer derived an improper personal profit; or (d) willful misconduct. Additionally, under the Wisconsin Business Corporation Law, directors of the Registrant are not subject to personal liability to the Registrant, its shareholders or any person asserting rights on behalf thereof, for certain breaches or failures to perform any duty resulting solely from their status as directors, except in circumstances paralleling those outlined in (a) through (d) above.

The indemnification provided by the Wisconsin Business Corporation Law and the Registrant's Bylaws is not exclusive of any other rights to which a director or officer of the Registrant may be entitled. The Registrant also carries directors' and officers' liability insurance.

**Item 16. Exhibits.**

The exhibits listed in the accompanying Exhibit Index are filed or incorporated by reference as part of this Registration Statement.

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**Item 17. Undertakings.**

(a) The undersigned Registrant hereby undertakes:

- (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:
  - (i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;
  - (ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective Registration Statement;
  - (iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the Registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the Registration Statement.

- (2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- (3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the Registration Statement shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the provisions set forth or described in Item 15 of this Registration Statement, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

(d) The undersigned Registrant hereby undertakes that:

- (1) or purposes of determining any liability under the Securities, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act of 1933 shall be deemed to be part of this registration statement as of the time it was declared effective.
- (2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Amendment No. 1 to Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Beloit, State of Wisconsin, on March 29, 2005.

REGAL-BELOIT CORPORATION

By: /s/ James L. Packard  
 James L. Packard  
 Chairman and Chief Executive Officer

| <u>Signature</u>   | <u>Title</u>  | <u>Date</u>    |
|--|---|----------------|
| /s/ James L. Packard<br><hr style="width: 250px; margin-left: 0;"/> James L. Packard   | Chairman, Chief Executive Officer<br>and Director (Principal Executive<br>Officer)            | March 29, 2005 |
| /s/ Henry W. Knueppel<br><hr style="width: 250px; margin-left: 0;"/> Henry W. Knueppel | President, Chief Operating Officer<br>and Director  | March 29, 2005 |
| /s/ David A. Barta<br><hr style="width: 250px; margin-left: 0;"/> David A. Barta       | Vice President and Chief Financial<br>Officer (Principal Accounting and<br>Financial Officer) | March 29, 2005 |

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|-------------------------|----------|----------------|
| *                       |          |                |
| _____                   | Director | March 29, 2005 |
| J. Reed Coleman         |          |                |
| *                       |          |                |
| _____                   | Director | March 29, 2005 |
| Christopher L. Doerr    |          |                |
| *                       |          |                |
| _____                   | Director | March 29, 2005 |
| Stephen Graff           |          |                |
| *                       |          |                |
| _____                   | Director | March 29, 2005 |
| G. Frederick Kasten, Jr |          |                |
| *                       |          |                |
| _____                   | Director | March 29, 2005 |
| John A. McKay           |          |                |
| *                       |          |                |
| _____                   | Director | March 29, 2005 |
| Thomas Fischer          |          |                |

\*By: /s/ James L. Packard  
 James L. Packard  
 Attorney-in-fact

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**EXHIBIT INDEX**

| Exhibit<br>Number | Document Description   |
|-------------------|--|
| (1.1)             | Form of Underwriting Agreement.*   |
| (4.1)             | Articles of Incorporation of REGAL-BELOIT Corporation. [Incorporated by reference to Exhibit B to Regal-Beloit Corporation's Definitive Proxy Statement on Schedule 14A filed on March 15, 1994 (File No. 001-07283)]  |
| (4.2)             | Bylaws of REGAL-BELOIT Corporation. [Incorporated by reference to Exhibit C to REGAL-BELOIT Corporation's Definitive Proxy Statement on Schedule 14A filed on March 15, 1994 (File No. 001-07283)]   |
| (4.3)             | Indenture, dated April 5, 2004, between REGAL-BELOIT Corporation and U.S. Bank National Association, as Trustee. [Incorporated by reference to Exhibit 4.3 to REGAL-BELOIT Corporation's Registration Statement on Form S-3 filed on June 21, 2004 (File No. 333-116706)]                |
| (4.4)             | First Supplemental Indenture, dated December 9, 2004, between REGAL-BELOIT Corporation and U.S. Bank National Association, as Trustee. [Incorporated by reference to Exhibit 4 to REGAL-BELOIT Corporation's Current Report on Form 8-K filed on December 14, 2004 (File No. 001-07283)] |
| (4.5)             | Form of 2.75% Convertible Senior Subordinated Note due 2024 (included in Exhibit 4.3).   |
| (4.6)             | Registration Rights Agreement, dated April 5, 2004, among REGAL-BELOIT Corporation, Banc of America Securities LLC, Deutsche Bank Securities Inc., Wachovia Capital Markets, LLC and Robert W. Baird & Co. Incorporated. [Incorporated by reference to Exhibit                           |

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4.5 to REGAL-BELOIT Corporation's Registration Statement on Form S-3 filed on June 21, 2004 (File No. 333-116706)]

- (4.7) Rights Agreement, dated January 28, 2000, between REGAL-BELOIT Corporation and BankBoston, N.A. [Incorporated by reference to Exhibit 4.1 to REGAL-BELOIT Corporation's Registration Statement on Form 8 A, dated January 28, 2000 (File No. 001-07283)]
- (4.8) Amendment effective as of June 11, 2002, to the Rights Agreement, dated as of January 28, 2000, between REGAL-BELOIT Corporation and BankBoston, N.A. originally filed as Exhibit 4.1 and incorporated on REGAL-BELOIT Corporation's Registration Statement on Form 8-A (File No. 001-07283) and on REGAL-BELOIT Corporation's current report on Form 8-K dated January 31, 2000. [Incorporated by reference to Exhibit 4.6 to REGAL-BELOIT Corporation's Quarterly Report on Form 10-Q for the quarter ended June 30, 2002]
- (4.9) Second Amendment to Rights Agreement, dated as of November 12, 2004, between REGAL-BELOIT Corporation and EquiServe Trust Company, N.A. [Incorporated by reference to Exhibit 4.3 to REGAL-BELOIT Corporation's Report on Form 8-A/A filed on November 18, 2004 (File No. 001-07283)]
- (4.10) Third Amendment to Rights Agreement, dated as of December 31, 2004, between REGAL-BELOIT Corporation and EquiServe Trust Company, N.A. [Incorporated by reference to Exhibit 4.4 to REGAL-BELOIT Corporation's Report on Form 8-A/A filed on January 6, 2005 (File No. 001-07283)]
- (4.11) Shareholder Agreement, dated as of December 31, 2004, between REGAL-BELOIT Corporation and General Electric Company. [Incorporated by reference to Exhibit 4 to REGAL-BELOIT Corporation's Current Report on Form 8-K filed on January 6, 2005 (File No. 001-07283)]
- (4.12) Amended and Restated Credit Agreement, dated as of May 5, 2004, among REGAL-BELOIT Corporation, various financial institutions, M&I Marshall & Ilsley Bank as Administrative Agent and Swing Line Bank, and Bank of America, N.A. as Syndication Agent. [Incorporated by reference to Exhibit 10.1 to REGAL-BELOIT Corporation's Quarterly Report on Form 10-Q for the quarter ended June 29, 2004 (File No. 001-07283)]

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- (4.13) First Amendment, dated December 30, 2004, to the Amended and Restated Credit Agreement, dated as of May 5, 2004, among REGAL-BELOIT Corporation, various financial institutions, Bank of America, N.A., as Syndication Agent, and M&I Marshall and Ilsley Bank, as Administrative Agent. [Incorporated by reference to Exhibit 10.1 to REGAL-BELOIT Corporation's Current Report on Form 8-K filed on January 5, 2005 (File No. 001-07283)]
  - (5) Opinion of Foley & Lardner LLP (including consent of counsel).#
  - (23.1) Consent of Deloitte & Touche LLP.
  - (23.2) Consent of KPMG LLP.
  - (23.3) Consent of Foley & Lardner LLP (filed as part of Exhibit (5)).#
  - (24) Powers of Attorney.#

\* To be filed by amendment or by Current Report on Form 8-K.

# Previously filed as an exhibit to REGAL-BELOIT Corporation's Registration Statement on Form S-3 (Registration No. 333-122823) as filed with the Securities and Exchange Commission on February 14, 2005.

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