

IMCO RECYCLING INC
Form S-4/A
September 02, 2004
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As filed with the Securities and Exchange Commission on September 2, 2004

Registration No. 333-117548

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 1

to

Form S-4

REGISTRATION STATEMENT

UNDER THE SECURITIES ACT OF 1933

IMCO Recycling Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

3341
(Primary Standard Industrial
Classification Code Number)

75-2008280
(I.R.S. Employer
Identification No.)

5215 North O Connor Blvd., Suite 1500

Central Tower at Williams Square

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Irving, Texas 75039

(972) 401-7200

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

Jeffrey S. Mecom

Vice President, Legal and Secretary

IMCO Recycling Inc.

5215 North O Connor Blvd., Suite 1500

Central Tower at Williams Square

Irving, Texas 75039

(972) 401-7200

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

Copies to:

Marc H. Folladori

Fulbright & Jaworski L.L.P.

1301 McKinney, Suite 5100

Houston, Texas 77010

(713) 651-5151

Christopher R. Clegg

Vice President, General Counsel and
Secretary

Commonwealth Industries, Inc.

PNC Plaza 19th Floor

500 West Jefferson Street
Louisville, Kentucky 40202

(502) 589-8100

Eric M. Krautheimer

Sullivan & Cromwell LLP

125 Broad Street

New York, NY 10004

(212) 558-4000

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effectiveness of this registration statement.

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

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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(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

The 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 Section 8(a), may determine.

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The information in this joint proxy statement/prospectus is not complete and may be changed. IMCO may not sell these securities until the registration statement filed with the United States Securities and Exchange Commission is effective. This joint proxy statement/prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to completion, dated September 2, 2004

JOINT PROXY STATEMENT/PROSPECTUS

PROPOSED MERGER YOUR VOTE IS VERY IMPORTANT

IMCO Recycling Inc. and Commonwealth Industries, Inc. have agreed to the terms of a merger combining these companies and their management. The merger will give IMCO and Commonwealth approximately equal representation on the combined company's board of directors and Commonwealth's stockholders will own approximately 46% and IMCO's stockholders will own approximately 54% of the combined company upon completion of the merger. Before we can complete the merger, we must obtain the approval of both companies' stockholders as described herein. We intend to rename IMCO promptly following the merger.

In the merger, Commonwealth stockholders will be entitled to receive 0.815 of a share of IMCO common stock for each share of Commonwealth common stock that they own at the effective time of the merger. This exchange ratio is fixed and will not be adjusted to reflect increases or decreases in stock prices prior to the closing. As an example, on September 1, 2004, the closing price of IMCO common stock on the New York Stock Exchange was \$10.37 which, based on the exchange ratio of 0.815, would result in an equivalent share price as of that date for the shares of Commonwealth common stock of \$8.45 (on June 16, 2004 the closing price of the IMCO common stock was \$13.43, the equivalent share price of Commonwealth common stock was \$10.95 and the aggregate equivalent price of the total number of shares to be received in the merger was \$177,174,000). Commonwealth stockholders are expected to receive an aggregate of approximately 13,192,405 shares of IMCO common stock in the merger, which will represent approximately 46% of the total number of outstanding shares of IMCO common stock upon completion of the merger. We urge Commonwealth and IMCO stockholders to obtain current market quotations for both the Commonwealth common stock and the IMCO common stock. Commonwealth stockholders are not entitled to dissenters' rights of appraisal in connection with the merger.

Each company is scheduled to hold a special meeting of its stockholders on [October 20], 2004 to consider and vote on the proposals described in this joint proxy statement/prospectus. **Commonwealth stockholders generally will not recognize any gain or loss for U.S. federal income tax purposes on the exchange of shares of Commonwealth common stock for IMCO common stock in the merger, except with respect to cash received in lieu of a fractional share of IMCO common stock.**

This joint proxy statement/prospectus contains answers to frequently asked questions and a summary description of the merger, followed by a more detailed discussion of the merger and related matters. **In particular, we urge you to consider the matters discussed under Risk Factors beginning on page 26 of this joint proxy statement/prospectus.**

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This joint proxy statement/prospectus is dated _____, 2004, and is first being mailed to IMCO and Commonwealth stockholders on or about _____, 2004.

Your vote is very important. If you do not submit your proxy over the Internet, by telephone or by completing and returning the enclosed proxy card, or if you do not instruct your broker how to vote any shares held for you in _____ street name _____, your shares will not be voted at your special meeting. An abstention or broker non-vote by a Commonwealth stockholder will have the effect of a vote against adoption of the merger agreement.

See the notices of the special meetings elsewhere in this joint proxy statement prospectus for information on the dates, times, and places of the special meetings.

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

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REFERENCES TO ADDITIONAL INFORMATION

This joint proxy statement/prospectus incorporates important business and financial information about IMCO and Commonwealth from documents that each company has filed with the Securities and Exchange Commission but that have not been included in or delivered with this joint proxy statement/prospectus. For a listing of documents incorporated by reference into this joint proxy statement/prospectus, please see the section entitled "Where You Can Find More Information" beginning on page 124 of this joint proxy statement/prospectus.

IMCO will provide you with copies of this information relating to IMCO, without charge, if you request it in writing or by telephone from:

IMCO Recycling Inc.

5215 North O'Connor Blvd., Suite 1500

Central Tower at Williams Square

Irving, Texas 75039

(972) 401-7200

Attention: Secretary

In order for you to receive timely delivery of the documents in advance of the IMCO special meeting, IMCO must receive your request no later than _____, 2004.

Commonwealth will provide you with copies of this information relating to Commonwealth, without charge, if you request it in writing or by telephone from:

Commonwealth Industries, Inc.

PNC Plaza 19th Floor

500 West Jefferson Street

Louisville, Kentucky 40202-2823

Telephone: (502) 589-8100

Attention: Secretary

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In order for you to receive timely delivery of the documents in advance of the Commonwealth special meeting, Commonwealth must receive your request no later than , 2004.

IMCO has supplied all information contained in or incorporated by reference in this joint proxy statement/prospectus relating to IMCO, and Commonwealth has supplied all information contained in or incorporated by reference in this joint proxy statement/prospectus relating to Commonwealth. IMCO and Commonwealth have both contributed to information relating to the merger.

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IMCO Recycling Inc.

5215 North O Connor Blvd., Suite 1500

Central Tower at Williams Square

Irving, Texas 75039

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD [OCTOBER 20], 2004

NOTICE IS HEREBY GIVEN that a special meeting of stockholders of IMCO Recycling Inc., a Delaware corporation (**IMCO**), will be held at a.m., local time, on [October 20], 2004, at the Central Tower at Williams Square, Twenty-Sixth Floor, La Cima Club, 5215 North O Connor Blvd., Irving, Texas. The special meeting will be held for the following purposes:

1. To consider and vote upon a proposal to approve the issuance of shares of IMCO common stock pursuant to and in accordance with the Agreement and Plan of Merger, dated as of June 16, 2004, among IMCO, Silver Fox Acquisition Company, an indirect wholly owned subsidiary of IMCO (**Merger Sub**), and Commonwealth Industries, Inc. (**Commonwealth**). As further described in this joint proxy statement/prospectus, the merger agreement provides for the merger of Merger Sub with and into Commonwealth pursuant to which each outstanding share of Commonwealth common stock (other than shares held in the treasury of Commonwealth or owned by Merger Sub, IMCO or any direct or indirect wholly owned subsidiary of IMCO or Commonwealth immediately prior to the time of the merger) will be converted into the right to receive 0.815 of a share of IMCO common stock at the time of the merger.
2. To consider and vote upon a proposal to amend IMCO's certificate of incorporation to increase the number of authorized shares of capital stock of IMCO from 48 million to 88 million to increase the number of authorized shares of IMCO common stock from 40 million to 80 million.
3. To consider and vote on a proposal to approve the IMCO Recycling Inc. 2004 Equity Incentive Plan.
4. To consider and vote on a proposal to approve the Amended and Restated IMCO Recycling Inc. Annual Incentive Compensation Plan.
5. To consider and vote on a proposal to adjourn or postpone the meeting, if necessary, to permit further solicitation of proxies, if proposed by the board of directors of IMCO.
6. To consider and take action on any other business that may properly come before the special meeting, or any reconvened meeting following an adjournment thereof.

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The board of directors of IMCO has carefully considered the terms of the merger agreement and the merger and believes that the merger is in the best interests of IMCO and its stockholders. The board of directors has unanimously approved the stock issuance and unanimously recommends that stockholders vote FOR approval of the stock issuance.

The board of directors of IMCO has unanimously approved the amendment to IMCO's certificate of incorporation, the IMCO Recycling Inc. 2004 Equity Incentive Plan and the Amended and Restated IMCO Recycling Inc. Annual Incentive Compensation Plan, and unanimously recommends that stockholders vote FOR the approval of the amendment to IMCO's certificate of incorporation, FOR the approval of the 2004 Equity Incentive Plan and FOR the approval of the Amended and Restated Annual Incentive Compensation Plan. The merger is not contingent on the approval of any of these proposals.

The board of directors of IMCO has fixed the close of business on September 15, 2004 as the record date for the determination of stockholders entitled to notice of, and to vote at, the IMCO special meeting or any reconvened meeting following an adjournment or postponement thereof. Only stockholders of record at the close

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of business on the record date are entitled to notice of and to vote at such meeting. A complete list of such stockholders will be available for examination at the IMCO special meeting and at IMCO's offices at 5215 North O'Connor Blvd., Suite 1500, Central Tower at Williams Square, Irving, Texas 75039 during ordinary business hours, after _____, 2004, for the examination by any such stockholder for any purpose germane to the special meeting.

It is important that your stock be represented at the special meeting regardless of the number of shares you hold. Whether or not you plan to attend the special meeting, please submit your proxy promptly over the Internet or by telephone in accordance with the instructions on the accompanying proxy card, or by completing, signing, dating and returning your proxy card in the enclosed prepaid envelope. If you are a registered stockholder, you may vote over the Internet or by telephone by following the instructions on the accompanying proxy card. If your shares are held in street name, please check your proxy card or contact your broker or nominee to determine whether you will be able to vote over the Internet or by telephone. Until your proxy is voted, you can revoke it at any time by a later dated proxy or by attending the special meeting and voting in person. Additionally, if you voted by telephone or Internet and want to change your vote by telephone or Internet, by submitting alternative voting instructions prior to 5:00 p.m. on the day prior to the IMCO special meeting. See Voting by Proxy beginning on page 40. The proxy is revocable at any time prior to its use at the special meeting.

By order of the Board of Directors,

Jeffrey S. Mecom

Vice President, Legal

and Secretary

, 2004

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Commonwealth Industries, Inc.

PNC Plaza 19th Floor

500 West Jefferson Street

Louisville, Kentucky 40202-2823

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD [OCTOBER 20], 2004

NOTICE IS HEREBY GIVEN that a special meeting of stockholders of Commonwealth Industries, Inc., a Delaware corporation (Commonwealth), will be held at _____ a.m., local time, on [October 20], 2004, at the PNC Plaza, 29th Floor, The Jefferson Club, 500 West Jefferson Street, Louisville, Kentucky. The special meeting will be held for the following purposes:

1. To consider and vote upon a proposal to adopt the Agreement and Plan of Merger, dated as of June 16, 2004, among IMCO Recycling Inc. (IMCO), Silver Fox Acquisition Company, an indirect wholly owned subsidiary of IMCO (Merger Sub), and Commonwealth. As further described in this joint proxy statement/prospectus, the merger agreement provides for the merger of Merger Sub with and into Commonwealth pursuant to which each outstanding share of Commonwealth common stock (other than shares held in the treasury of Commonwealth or owned by Merger Sub, IMCO or any direct or indirect wholly owned subsidiary of IMCO or Commonwealth immediately prior to the time of the merger) will be converted into the right to receive 0.815 of a share of IMCO common stock at the time of the merger.
2. To consider and vote on a proposal to adjourn or postpone the meeting, if necessary, to permit further solicitation of proxies, if proposed by the board of directors of Commonwealth.
3. To consider and take action on any other business that may properly come before the special meeting, or any reconvened meeting following an adjournment thereof.

The board of directors of Commonwealth has carefully considered the terms of the merger agreement and the merger and believes that the merger is advisable and fair to and in the best interests of Commonwealth and its stockholders. The board of directors has unanimously approved the merger agreement and the merger and unanimously recommends that stockholders vote FOR adoption of the merger agreement.

The board of directors of Commonwealth has fixed the close of business on September 15, 2004 as the record date for the determination of stockholders entitled to notice of, and to vote at, the Commonwealth special meeting or any reconvened meeting following an adjournment or postponement thereof. Only stockholders of record at the close of business on such record date are entitled to notice of and to vote at such meeting. A complete list of such stockholders will be available for examination at the Commonwealth special meeting and at Commonwealth's offices at PNC Plaza 19th Floor, 500 West Jefferson Street, Louisville, Kentucky 40202-2823, during ordinary business hours, after _____, 2004, for the examination by any such stockholder for any purpose germane to the special meeting.

It is important that your stock be represented at the special meeting regardless of the number of shares you hold. Whether or not you plan to attend the special meeting, please submit your proxy promptly over the Internet or by telephone in accordance with the instructions on the accompanying proxy card, or by completing, signing, dating and returning your proxy card in the enclosed prepaid envelope. If you are a registered stockholder, you may vote over the Internet or by telephone by following the instructions on the accompanying proxy card. If your shares are held in street name, please check your proxy card or contact your broker or nominee to determine whether you will be able to vote over the Internet or by telephone. Until your proxy is voted, you can revoke it at any time by a later dated proxy or by attending the special meeting and voting in person. Additionally, if you voted by telephone or Internet and want to change your vote by telephone or Internet, by submitting alternative voting instructions prior

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to 5:00 p.m. on the day prior to the Commonwealth special meeting. See **Voting by Proxy** beginning on page 40. The proxy is revocable at any time prior to its use at the special meeting.

You should not return certificates for Commonwealth common stock with the enclosed proxy. After the merger is completed, you will be sent instructions regarding the surrender of your stock certificates.

By order of the Board of Directors,

Christopher R. Clegg

Vice President, General Counsel

and Secretary

, 2004

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ANNEXES

Annex A	<u>Agreement and Plan of Merger, dated as of June 16, 2004, among IMCO Recycling Inc., Silver Fox Acquisition Company and Commonwealth Industries, Inc.</u>
Annex B	<u>Opinion of Citigroup Global Markets Inc.</u>
Annex C	<u>Opinion of Morgan Stanley & Co. Incorporated</u>
Annex D	<u>Amendment to IMCO Bylaws</u>
Annex E	<u>Amendment to IMCO's Certificate of Incorporation</u>
Annex F	<u>IMCO Recycling Inc. 2004 Equity Incentive Plan</u>
Annex G	<u>IMCO Recycling Inc. Amended and Restated Annual Incentive Compensation Plan</u>

No person is authorized to give any information or to make any representation with respect to the matters described in this joint proxy statement/prospectus other than those contained herein or in the documents incorporated by reference herein and, if given or made, such information or representation must not be relied upon as having been authorized by IMCO or Commonwealth. This joint proxy statement/prospectus does not constitute an offer to sell or a solicitation of an offer to buy the securities offered by this joint proxy statement/prospectus or a solicitation of a proxy in any jurisdiction where, or to any person whom, it is unlawful to make such an offer or solicitation. Neither the delivery hereof nor any distribution of securities made hereunder shall, under any circumstances, create an implication that there has been no change in the affairs of IMCO or Commonwealth since the date hereof or that the information contained or incorporated by reference in this joint proxy statement/prospectus is correct as of any time subsequent to the date hereof.

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QUESTIONS AND ANSWERS ABOUT THE MERGER

The following questions and answers briefly address some commonly asked questions about the special meetings and the merger. They may not include all the information that is important to you. We urge you to read carefully this entire joint proxy statement/prospectus, including the annexes and the other documents we refer to in this joint proxy statement/prospectus. In addition, the merger agreement is attached to this joint proxy statement/prospectus as Annex A. We encourage you to read the merger agreement carefully and in its entirety. The merger agreement is the legal document setting forth the parties' rights with respect to the merger.

The Merger

Q1: Why am I receiving this proxy statement?

A1: IMCO and Commonwealth have agreed to the combination of IMCO and Commonwealth under the terms of the merger agreement which is described in this joint proxy statement/prospectus. This joint proxy statement/prospectus contains important information about the merger and the special meetings. We are sending you this joint proxy statement/prospectus to ask IMCO stockholders to approve the issuance of IMCO shares pursuant to and in accordance with the merger agreement, among other matters, and to ask Commonwealth stockholders to adopt the merger agreement.

Q2: What will I receive in the merger?

A2: If you are a Commonwealth stockholder, at the effective time of the merger, each outstanding share of your Commonwealth common stock will be converted into the right to receive 0.815 of a share of IMCO common stock. The number of shares of IMCO common stock is fixed and will not be adjusted based on increases or decreases in IMCO's stock price prior to completing the merger. You will receive cash in lieu of any fraction of a share of IMCO common stock that results following the exchange of your Commonwealth common stock. This cash amount will be determined by multiplying the fraction of an IMCO share by the average price of a share of IMCO common stock for the ten consecutive trading days ending immediately prior to the closing date of the merger and will be paid without interest. For example, if you own 100 shares of Commonwealth common stock and the average price of IMCO common stock as of the date of the merger is \$10.00, you will receive a total of 81 shares of IMCO common stock and \$5.00 in cash. If you are an IMCO stockholder, your shares of IMCO common stock will not be affected in the merger. Each outstanding share of IMCO common stock will remain outstanding as a share of IMCO common stock.

Q3: Will the rights of a Commonwealth stockholder change as a result of the merger?

A3: Yes. Through the date of the merger, IMCO stockholder rights will continue to be governed by IMCO's certificate of incorporation and bylaws and by the Delaware General Corporation Law (DGCL), and Commonwealth stockholder rights will continue to be governed by Commonwealth's certificate of incorporation and bylaws and by the DGCL. Upon completion of the merger, Commonwealth stockholders will become IMCO stockholders and their rights will then be governed by the certificate of incorporation and bylaws of IMCO. Please read carefully the summary of the material differences between the rights of IMCO stockholders and Commonwealth stockholders under "Comparison of Stockholders' Rights" beginning on page 104 of this joint proxy statement/prospectus.

Q4: When do you expect to complete the merger?

A4: IMCO and Commonwealth expect to complete the merger during the fourth quarter in 2004 and promptly following the special meetings. However, there can be no assurance that the merger will be completed at that time or at all.

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Q5: Will Commonwealth stockholders be able to trade the IMCO common stock that they receive in the merger?

A5: The shares of IMCO common stock issued in connection with the merger will be listed on the New York Stock Exchange under the symbol **IMR**, and will be freely tradable, unless you are an affiliate of Commonwealth on the date of the Commonwealth special meeting or an affiliate of IMCO after the merger. Commonwealth and IMCO expect to change IMCO's symbol on the New York Stock Exchange at the same time as IMCO's name is changed.

Special Meetings; Votes Required

Q6: When and where are the special meetings?

A6: The special meetings are expected to each take place on [October 20, 2004]. The time and location of each special meeting is specified on the notices of the special meetings contained in this joint proxy statement/prospectus.

Q7: What will happen at the special meetings?

A7: At the Commonwealth special meeting, Commonwealth stockholders will vote on a proposal to adopt the merger agreement.

At the IMCO special meeting, IMCO stockholders will vote on the issuance of IMCO common stock to Commonwealth stockholders pursuant to and in accordance with the merger agreement. We cannot complete the merger unless, among other things, Commonwealth's stockholders adopt the merger agreement and IMCO's stockholders approve the stock issuance.

In addition, at the IMCO special meeting, IMCO stockholders will vote on a proposal to amend IMCO's certificate of incorporation to increase the authorized shares of IMCO's common stock from 40 million to 80 million and will vote on proposals to adopt the IMCO Recycling Inc. 2004 Equity Incentive Plan and to approve the Amended and Restated IMCO Recycling Inc. Annual Incentive Compensation Plan and, if necessary, to adjourn or postpone the meeting to permit the further solicitation of proxies. **The approval of (i) the amendment to IMCO's certificate of incorporation to increase the authorized number of shares of IMCO common stock, (ii) the 2004 Equity Incentive Plan and (iii) the Amended and Restated Annual Incentive Compensation Plan are not related to and are not necessary to permit completion of the merger; the completion of the merger is independent of the approval of these proposals.**

Q8: Who is entitled to vote at the special meetings and how many shares can vote?

A8: Commonwealth's stockholders of record as of the close of business on September 15, 2004 will be entitled to notice of and to vote at the Commonwealth special meeting. On the record date, Commonwealth had outstanding _____ shares of common stock, which constitute Commonwealth's only outstanding voting securities. Each Commonwealth stockholder is entitled to one vote for each share of Commonwealth common stock held as of the record date.

IMCO's stockholders of record as of the close of business on September 15, 2004 will be entitled to notice of and to vote at the IMCO special meeting. On the record date, IMCO had outstanding _____ shares of common stock, which constitute IMCO's only outstanding voting securities. Each IMCO stockholder is entitled to one vote on each proposal for each share of IMCO common stock held as of the record date.

Q9: What vote is required?

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A9: The affirmative vote of the holders of a majority of the outstanding shares of Commonwealth common stock entitled to vote at the Commonwealth special meeting is required to adopt the merger agreement.

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The approval of the IMCO share issuance pursuant to the merger agreement requires the affirmative vote of the holders of a majority of the total votes cast at the IMCO special meeting on this proposal in person or by proxy, so long as the total vote cast on the proposal exceeds 50% of the shares of common stock of IMCO outstanding.

The approval of the amendment to IMCO's certificate of incorporation to increase its authorized shares of common stock requires the affirmative vote of the holders of a majority of the outstanding shares of IMCO common stock. The proposals to approve IMCO's 2004 Equity Incentive Plan and its Amended and Restated Annual Incentive Compensation Plan each require the approval of a majority of the votes cast at the IMCO special meeting on the proposal in person or by proxy, so long as the total vote cast on each such proposal exceeds 50% of the shares of common stock of IMCO outstanding.

It is very important that you vote. The failure of a Commonwealth stockholder to vote on the proposal to adopt the merger agreement, the failure of an IMCO stockholder to vote on the proposal to amend IMCO's certificate of incorporation to increase its authorized shares of common stock, and abstentions on these two proposals, will have the effect of votes against those proposals.

Q10: What do I need to do to vote?

A10: After carefully reading and considering the information contained in this proxy statement/prospectus, please submit your proxy by telephone or Internet in accordance with the instructions set forth in the enclosed proxy card, or fill out, sign and date the proxy card, and then mail your signed proxy card in the enclosed prepaid envelope as soon as possible so that your shares may be voted at the special meeting. See "Voting by Proxy" beginning on page 40. To ensure that we obtain your vote, please vote as instructed on your proxy card even if you currently plan to attend your special meeting in person.

The enclosed proxy card contains instructions for voting by telephone, Internet or mail. Please follow these instructions carefully. The proxies identified on the proxy card will vote the shares of which you are stockholder of record in accordance with your instructions. If you sign, date and return your proxy without giving specific voting instructions, the proxies will vote your shares FOR the proposals. If you do not return your proxy or vote in person, your shares will not be voted at your special meeting.

Q11: How do I vote my shares if my shares are held in street name ?

A11: You should vote this proxy in accordance with the instructions provided to you by your bank, broker or nominee. If your shares are held in a stock brokerage account, your broker will not vote your shares unless the broker receives appropriate instructions from you.

A number of banks and brokerage firms participate in a program that also permits stockholders whose shares are held in street name to direct their vote by the Internet or telephone. This option, if available, will be reflected in the voting instructions from the bank or brokerage firm that accompany this joint proxy statement/prospectus. If your shares are held in an account at a bank or brokerage firm that participates in such a program, you may direct the vote of these shares by the Internet or telephone by following the voting instructions enclosed with the proxy from the bank or brokerage firm. Votes directed by the Internet or telephone through such a program must be received by 5:00 p.m., E.T., on . Directing the voting of your shares will not affect your right to vote in person if you decide to attend the meeting; however, you must first obtain a signed and properly executed proxy from your bank, broker or nominee to vote your shares held in street name at the special meeting. Requesting a proxy prior to the deadlines described above will automatically cancel any voting directions you have previously given by the Internet or by telephone with respect to your shares. The Internet and telephone proxy procedures are designed to authenticate stockholders' identities, to allow stockholders to give their proxy instructions and to confirm that those instructions have been properly recorded.

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Q12: What does IMCO's board of directors recommend?

A12: IMCO's board of directors has unanimously approved the merger agreement and determined that the issuance of IMCO common stock in the merger, the amendment to IMCO's certificate of incorporation to increase the number of authorized shares of common stock of IMCO from 40 million to 80 million, the approval of the 2004 Equity Incentive Plan and the approval of the Amended and Restated IMCO Recycling Inc. Annual Incentive Compensation Plan are in the best interests of IMCO, and unanimously recommends that IMCO stockholders approve the issuance of IMCO common stock pursuant to and in accordance with the merger agreement, the amendment to the IMCO certificate of incorporation to increase the number of authorized shares of common stock of IMCO, the 2004 Equity Incentive Plan and the Amended and Restated IMCO Recycling Inc. Annual Incentive Compensation Plan. **Completion of the merger is not conditioned on approval of the proposals regarding the amendment to the certificate of incorporation and the approval of the incentive plans.**

Q13: What does Commonwealth's board of directors recommend?

A13: Commonwealth's board of directors has unanimously approved the merger agreement and determined that the transactions contemplated by the merger agreement are advisable and in the best interests of the Commonwealth stockholders. Commonwealth's board of directors unanimously recommends that Commonwealth stockholders adopt the merger agreement.

Q14: May I change my vote after I have submitted a proxy by telephone, Internet, or by completing and mailing a proxy card?

A14: Yes. You may change your vote at any time before your proxy is voted at the relevant special meeting. You can do this in several ways. You can send a written notice stating that you want to revoke your proxy, or you can complete and submit a new proxy card. If you choose either of these methods, you must submit your notice of revocation or your new proxy card to:

IMCO

c/o Mellon Investor Services LLC

telephone: 1-800-635-9270

Commonwealth

c/o National City Bank

telephone: 1-800-622-6757

You can also change your vote by submitting a proxy at a later date by telephone or Internet, in which case your later-submitted proxy will be recorded and your earlier proxy revoked. You can also attend the applicable special meeting and vote in person. Simply attending the special meeting, however, will not revoke your proxy; you must vote at the special meeting.

If you have instructed a bank, broker or nominee to vote your shares, you must follow the voting procedures received from your bank, broker or nominee to change your vote.

Q15: What is a broker non-vote?

A15: A broker non-vote occurs when a bank, broker or other nominee submits a proxy that indicates that the broker does not vote for some or all of the proposals, because the broker has not received instructions from the beneficial owners on how to vote on these proposals and does not have discretionary authority to vote in the absence of instructions.

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Q16: Will broker non-votes or abstentions affect the results?

A16: If you are an IMCO stockholder, broker non-votes will have no effect on the outcome of the proposals relating to the issuance of IMCO common stock pursuant to the merger agreement, or the approval of the 2004 Equity Incentive Plan or the Amended and Restated IMCO Recycling Inc. Annual Incentive Compensation Plan, so long as the total votes cast on each of these proposals exceed 50% of the shares of IMCO common stock outstanding. Abstentions on these proposals will be counted as votes cast, and will have the effect of negative votes. In addition, broker non-votes and abstentions will have no effect on the outcome of any proposal to adjourn or postpone the special meeting, if necessary, to permit further solicitation of proxies. Broker non-votes and abstentions would not be counted as votes cast on this proposal, if any. Broker non-votes and abstentions, however, will have the same effect as a vote against the proposal relating to the amendment to IMCO's certificate of incorporation. If you are a Commonwealth stockholder, broker non-votes and abstentions will have the same effect as a vote against the proposal to adopt the merger agreement. If your shares are held in street name, we urge you to instruct your bank, broker or nominee on how to vote your shares for those proposals on which you are entitled to vote.

Q17: Should I submit a proxy even if I plan to attend the meeting in person?

A17: Yes. To ensure that your vote is accounted for, please submit your proxy even if you are planning to attend the applicable special meeting.

General

Q18: Should I send in my Commonwealth stock certificates now?

A18: No. Promptly after closing, Commonwealth stockholders will be sent a letter of transmittal. After you return that letter, together with your Commonwealth stock certificates, to the exchange agent, Mellon Investor Services LLC, you will receive stock certificates representing the shares of IMCO common stock that you are entitled to and cash in lieu of a fraction of an IMCO share.

Q19: If I have more questions about the merger or the two companies, where can I find answers?

A19: In addition to reading this document, its annexes, and the documents we have incorporated in this document by reference, you can find more information about the merger or about the two companies in our companies' filings with the Securities and Exchange Commission or IMCO's filings with the New York Stock Exchange. Please see "Where You Can Find More Information" beginning on page 124 of this joint proxy statement/prospectus. If you have any questions about the merger or how to submit your proxy, or if you need additional copies of this joint proxy statement/prospectus or the enclosed proxy card or voting instructions, you should contact:

if you are an IMCO stockholder:

Jeffrey S. Mecom

IMCO Recycling Inc.

5215 North O'Connor Blvd., Suite 1500

Central Tower at Williams Square

Irving, TX 75039

if you are a Commonwealth stockholder:

Christopher R. Clegg

Commonwealth Industries, Inc.

PNC Plaza 19th Floor

500 West Jefferson Street

Louisville, Kentucky 40202-2823

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Telephone: (972) 401-7200

Telephone: (502) 589-8100

or in lieu of IMCO and Commonwealth:

Georgeson Shareholder Communications, Inc.

17th Street, 10th Floor

New York, New York

Telephone:

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SUMMARY

*This summary highlights selected information from this joint proxy statement/prospectus, including material terms of the merger, and may not contain all of the information that is important to you. To understand the merger fully and for a more complete description of the legal terms of the merger, we urge you to carefully read this entire joint proxy statement/prospectus and the other documents to which we refer you. See **Where You Can Find More Information** beginning on page 124 of this joint proxy statement/prospectus.*

The Companies

IMCO Recycling Inc.

5215 North O Connor Blvd., Suite 1500

Central Tower at Williams Square

Irving, Texas 75039

(972) 401-7200

IMCO is the largest recycler of aluminum and zinc in the United States and believes it is the largest aluminum recycler in the world, with total annual processing capacity of approximately 4.0 billion pounds. IMCO offers its customers a wide range of metals recycling services and specialty alloy products. IMCO's aluminum production network includes a domestic recycling division, a domestic specialty alloys division and an international division that represent 48%, 21% and 23%, respectively, of IMCO's overall capacity. IMCO's domestic aluminum recycling division converts customer owned scrap and dross (a by-product of the aluminum melting process) and delivers recycled aluminum to IMCO's customers in molten or ingot form for a fee. IMCO's domestic specialty alloys division converts purchased aluminum scrap and other metals into molten or ingot form and then sells it to customers. IMCO's international division includes both aluminum recycling and specialty alloys operations. IMCO's three largest aluminum end-use industries are transportation, containers and packaging, and building and construction industries. IMCO's zinc division, which represents approximately 8% of its overall capacity, includes facilities dedicated to the production of zinc oxide, zinc dust and zinc metal. IMCO's manufacturing and distribution network consists of 26 strategically located production plants; 21 are located in the United States, two in Germany, and one each in Brazil, Mexico and Wales.

Silver Fox Acquisition Company

5215 North O Conner Blvd., Suite 1500

Central Tower at Williams Square

Irving, Texas 75039

(972) 401-7200

Silver Fox Acquisition Company is a corporation organized under the laws of the State of Delaware and an indirect wholly owned subsidiary of IMCO formed by IMCO for the sole purpose of effecting the merger. This is the only business of Silver Fox Acquisition Company.

Commonwealth Industries, Inc.

PNC Plaza 19th Floor

500 West Jefferson Street

Louisville, Kentucky 40202-2823

Telephone: (502) 589-8100

Commonwealth is one of North America's leading manufacturers of aluminum sheet. Commonwealth's aluminum sheet products are produced using the conventional, direct-chill rolling ingot casting process, and by continuous casting. The aluminum sheet products manufactured by Commonwealth are generally referred to as common alloy products. They are produced in a number of aluminum common alloys with thickness (gauge) of 0.008 to 0.250 inches, widths of up to 72 inches, and a variety of physical properties and packaging, in each case.

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to meet customer specifications. These products are sold to distributors and end-users, principally for use in building and construction products such as roofing, siding, windows and gutters; transportation equipment such as truck trailers and bodies and automotive parts; and consumer durables such as cookware and appliances. Other than for Rapid Response Depot sales, which are for standard size products, substantially all of Commonwealth's aluminum sheet products are produced in response to specific customer orders. Production of aluminum sheet products in 2003 was 773 million pounds or about 72% of capacity compared to 925 million pounds or about 86% of capacity in 2002. In 2003, North American sales of aluminum sheet products, excluding rigid container sheet, foil and exports, were approximately 3.6 billion pounds.

On July 30, 2004, Commonwealth sold Alflex Corporation, a significant subsidiary of Commonwealth, to Southwire Company for cash consideration of approximately \$64.0 million. Alflex's net sales accounted for approximately 11% of Commonwealth's total net sales for 2003. Commonwealth used \$50.0 million of the net proceeds from this sale to purchase a portion of its previously sold accounts receivable under its receivables purchase facility, \$6.2 million to repay amounts outstanding under its credit facility and the remainder for working capital.

The Merger (page 43)

General

On June 16, 2004, IMCO, Commonwealth and Merger Sub agreed to the terms of the merger agreement described in this joint proxy statement/prospectus and attached as *Annex A*. The merger agreement is the legal document that governs the merger, and we urge you to read that agreement carefully.

At the effective time of the merger, Merger Sub will merge with and into Commonwealth. Commonwealth will be the surviving company and become an indirect wholly owned subsidiary of IMCO. The separate corporate existence of Merger Sub will cease at the effective time of the merger. IMCO and Commonwealth expect that IMCO will change its name promptly following the merger.

Each Commonwealth share will be converted into 0.815 of a share of IMCO (page 72)

At the effective time of the merger, each outstanding share of Commonwealth common stock (other than any shares owned directly or indirectly by Commonwealth or IMCO) will be converted into the right to receive 0.815 of a share of IMCO common stock. The number of shares of IMCO common stock is fixed and will not be adjusted based on increases or decreases in IMCO's stock price.

IMCO shares are listed on the New York Stock Exchange under the symbol *IMR*, and Commonwealth shares are traded on the Nasdaq National Market under the symbol *CMIN*.

On June 16, 2004, the last full trading day prior to public announcement of the merger, the closing price of a share of IMCO common stock was \$13.43. The per share closing price for the Commonwealth common stock was \$8.60. The Commonwealth common stock had an implied equivalent price per share of \$10.95 based on the closing price of the IMCO common stock and the exchange ratio of 0.815. On September 1, 2004, the closing prices of the IMCO shares and the Commonwealth shares were \$10.37 and \$8.44, respectively, and the equivalent price per

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share of Commonwealth common stock, based on the exchange ratio of 0.815, was \$8.45.

Because the exchange ratio is fixed under the merger agreement and neither IMCO nor Commonwealth has the right to terminate the merger agreement based solely on changes in either party's stock price, **the market price of the IMCO common stock that Commonwealth stockholders receive in the merger may vary significantly from its current price and from its price on the date of the merger agreement.** You should obtain current market quotations for the shares of both companies from a newspaper, the Internet or your broker.

The table below shows the per share closing prices of IMCO common stock and Commonwealth common stock, and the pro forma equivalent price per share of Commonwealth common stock at the close of regular

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trading on June 16, 2004, the last trading day before our public announcement of the merger, and _____, 2004, the most recent trading day for which that information was available prior to the mailing of this document.

Date	IMCO Closing Price	Commonwealth	Commonwealth Pro
		Closing Price	Forma Equivalent
June 16, 2004	\$ 13.43	\$ 8.60	\$ 10.95
_____, 2004			

(a) The pro forma equivalent per share price of Commonwealth common stock is calculated by multiplying the IMCO closing price by the exchange ratio of 0.815.

The table below shows the implied equivalent share price of Commonwealth common stock based on a range of hypothetical prices of IMCO common stock. This table is for illustrative purposes only, and the actual prices at which shares of IMCO common stock may trade between the date of this document and the closing of the merger and thereafter may be above or below the range set forth below.

Hypothetical Price of IMCO Common Stock	Implied Equivalent Share Price of Commonwealth Common Stock
\$ 9.50	\$7.74
\$10.00	\$8.15
\$10.50	\$8.56
\$11.00	\$8.97

No fractional shares of IMCO common stock will be issued in the merger and cash will be paid in lieu of a fraction of a share. The amount of cash paid will be an amount equal to the resulting fraction multiplied by the average of the per share closing prices on the New York Stock Exchange of shares of IMCO common stock during the ten consecutive trading days ending on (and including) the trading day immediately preceding the closing date of the merger and will be paid without interest.

Treatment of Commonwealth Stock Options (page 73)

Pursuant to separate agreements, the vesting of all stock options awarded to Steven J. Demetriou, Michael D. Friday, Christopher R. Clegg and Sean M. Stack under Commonwealth's 1997 Equity Incentive Plan, as amended and restated, will not accelerate as a result of the merger. These options will remain outstanding following the merger and will be subject to the same terms, conditions and vesting periods as before the merger. All other options outstanding under Commonwealth's 1995 Stock Incentive Plan, as amended and restated, and its 1997 Stock Incentive Plan, whether or not exercisable and whether or not vested at the effective time of the merger, will be fully vested and be fully exercisable upon, and shall remain outstanding following the effective time of the merger in accordance with the terms of the plans under which they were issued. Each option will be exercisable for and represent the right to acquire that whole number of shares of IMCO common stock, rounded down to the nearest whole share, equal to the number of shares of Commonwealth common stock subject to that option immediately prior to the effective time of the merger, multiplied by 0.815. The exercise price per share of IMCO common stock will be an amount equal to the exercise price per share of Commonwealth common stock subject to the option in effect immediately prior to the effective time of the merger, divided by 0.815. From and after the effective time of the merger, each option will be exercisable, except as described above, on the same terms and conditions as were applicable under the applicable Commonwealth stock incentive plan and the applicable option agreement immediately prior to the effective time of the merger.

Fairness Opinion of IMCO's Financial Advisor (page 48)

IMCO's board of directors received a written opinion, dated June 16, 2004, from its financial advisor, Citigroup Global Markets Inc., to the effect that, as of the date of the opinion and subject to the factors, assumptions, qualifications and limitations set forth therein, the exchange ratio in the merger is fair to IMCO

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from a financial point of view. This opinion is attached to this joint proxy statement/prospectus as *Annex B*. We encourage you to read this opinion carefully to understand the assumptions made, procedures followed, matters considered and limitations of the scope of the review undertaken. **Citigroup's opinion was provided to IMCO's board of directors in connection with its evaluation of the exchange ratio, does not address any other aspect of the proposed merger and does not constitute a recommendation to any stockholder as to how any such stockholder should vote in connection with the merger or the issuance of IMCO common stock pursuant to and in accordance with the merger agreement.**

Fairness Opinion of Commonwealth's Financial Advisor (page 55)

In connection with the proposed merger, Commonwealth's financial advisor, Morgan Stanley & Co. Incorporated, delivered a written opinion, dated June 16, 2004, to Commonwealth's board of directors as to the fairness, from a financial point of view, of the merger consideration to the holders of Commonwealth common stock. The full text of Morgan Stanley's written opinion is attached to this joint proxy statement/prospectus as *Annex C*. We encourage you to read this opinion carefully in its entirety for a description of the procedures followed, assumptions made, matters considered and limitations on the scope of the review undertaken. **Morgan Stanley's opinion was provided to Commonwealth's board of directors in connection with its evaluation of the merger consideration, does not address any other aspect of the proposed merger and does not constitute a recommendation to any stockholder as to how such stockholder should vote in connection with the merger or the issuance of IMCO common stock pursuant to and in accordance with the merger agreement.**

Management of IMCO Following the Merger (page 87)

Following the merger, the board of directors of IMCO will consist of nine members. Steven Demetriou, currently Commonwealth's president, chief executive officer and a member of the Commonwealth board, will be elected as chairman of the board and chief executive officer of IMCO, four other directors will come from the existing Commonwealth board and four other directors will come from the existing IMCO board.

Shares Owned by IMCO and Commonwealth Directors and Executive Officers (page 9)

At the close of business on the record date for the IMCO special meeting, directors and executive officers of IMCO and their affiliates were entitled to vote approximately % of the shares of IMCO common stock outstanding on that date.

At the close of business on the record date for the Commonwealth special meeting, directors and executive officers of Commonwealth and their affiliates were entitled to vote approximately % of the shares of Commonwealth common stock outstanding on that date.

Interests of Directors and Executive Officers in the Merger (page 62)

In considering the recommendation of the Commonwealth board of directors, you should be aware that certain members of Commonwealth's management and the Commonwealth board of directors have interests in the transaction that are or may be different from, or in addition to, your interests as a Commonwealth stockholder. These interests include, among other things, the following:

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Under the terms of the merger agreement, Mr. Demetriou, currently Commonwealth's president and chief executive officer and a member of the board of directors of Commonwealth, who will be appointed chief executive officer and chairman of the board of IMCO after the merger, and four other members of the Commonwealth board, Messrs. C. Frederick Fetterolf, Larry E. Kittelberger, Paul E. Lego and John E. Merow, will be appointed directors of IMCO after the merger;

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Commonwealth option holders (a group which includes many officers and directors of Commonwealth) will have all of their stock options vest at the effective time of the merger. However, options held by Messrs. Demetriou, Friday, Clegg and Stack will not vest at that time and will remain subject to their usual vesting schedule;

Under the terms of the severance agreements between Commonwealth and certain of its officers, if an officer's employment with Commonwealth (or its successor) is terminated during the two year period following the merger, that officer will be entitled to severance benefits, including excise tax gross-up payments. See "The Merger - Certain Persons May Have Interests in the Merger that are Different from Stockholders - Interests Generally - Commonwealth Severance Agreements" on page 63;

Under the merger agreement, IMCO has agreed to indemnify and hold harmless all past and present officers and directors of Commonwealth for matters existing or occurring at or prior to the effective time of the merger and to advance litigation expenses incurred by these officers and directors in connection with these matters;

For a period of six years after the effective time of the merger, IMCO has agreed that it will provide Commonwealth's current officers and directors with a liability insurance policy that provides for coverage of matters occurring prior to the effective time that is no less favorable than the policy in place immediately prior to the merger or, if substantially equivalent insurance coverage is unavailable, the best available coverage. IMCO will not be required to pay an annual premium for this insurance in excess of \$1.6 million; and

Four former officers of Commonwealth who were involved in discussions culminating in the merger agreement have received severance payments of approximately \$6.3 million in the aggregate, following their resignation as officers of Commonwealth. Additionally, Commonwealth is responsible for excise tax gross-up payments, if any, in connection with these severance payments.

In considering the recommendation of the IMCO board of directors, you should be aware that certain members of IMCO's management and the IMCO board of directors also have interests in the transaction that are or may be different from, or in addition to, your interests as a IMCO stockholder. These interests include, among other things, the following:

Under the terms of the merger agreement, four of the five members of the IMCO board, Messrs. John E. Balkcom, John E. Grimes, Dale V. Kesler and Hugh G. Robinson, will continue as directors of IMCO following the merger;

IMCO and Commonwealth intend that the lead independent director (the director who shall preside over the meeting in the absence of the chairman) of the combined company will be one of the four members of the IMCO board who continues as a director of IMCO following the merger;

Richard L. Kerr, IMCO's current chief executive officer, and Paul V. Dufour, IMCO's chief financial officer, have agreed to retire effective upon completion of the merger and to serve as consultants for a limited period after the merger. Under their arrangements, Messrs. Kerr and Dufour would be entitled to receive severance pay and vesting of their restricted stock and stock options; and

Under the terms of employment agreements between IMCO and certain of its officers, if an officer's employment with IMCO is terminated during a period following completion of the merger (as defined in the officer's employment agreement), that officer will be entitled to certain severance benefits.

See "The Merger - Certain Persons May Have Interests in the Merger that are Different from Stockholders - Interests Generally - IMCO Severance Arrangements" on page 65.

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The IMCO and Commonwealth boards of directors were aware of these arrangements during their respective deliberations on the merits of the merger and in deciding to recommend that you vote for the approval of their respective proposals.

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Conditions to Completion of the Merger (page 80)

Completion of the merger depends on a number of conditions being satisfied or waived. In addition to customary conditions relating to the accuracy of representations and warranties and compliance with the terms of the merger agreement, these conditions include the following:

continued effectiveness of the registration statement of which this joint proxy statement/prospectus is a part;

adoption of the merger agreement by the holders of a majority of the outstanding Commonwealth shares entitled to vote at the Commonwealth special meeting;

approval of the stock issuance pursuant to and in accordance with the merger agreement by the holders of a majority of the votes cast by holders of IMCO common stock entitled to vote at the IMCO special meeting, provided that the total vote cast on the stock issuance proposal represents in excess of 50% of the total shares of IMCO common stock outstanding and entitled to vote;

absence of any law, rule, regulation, judgment, decree, executive order or award prohibiting the consummation of the merger;

the receipt of consents or approvals under foreign antitrust laws required to consummate the transactions contemplated by the merger agreement, except where the failure to obtain such consents and approvals from a foreign governmental authority would not have a material adverse effect on IMCO and Commonwealth as a combined company following the closing;

approval for listing of the IMCO shares to be issued in the merger on the New York Stock Exchange, subject to official notice of issuance;

either (1) a commitment letter contemplating a financing in an amount sufficient to fully redeem Commonwealth's 104% Senior Subordinated Notes due 2006 and refinance in full IMCO's and Commonwealth's credit facilities shall have been obtained and all conditions (other than the consummation of the merger and bring-down conditions that we reasonably believe will be satisfied or waived) shall have been satisfied or waived, or (2) all conditions (other than the consummation of the merger and bring-down conditions that we reasonably believe will be satisfied or waived) to obtaining the agreed financing shall have been satisfied or waived; and

receipt of opinions to the effect that, if the merger is consummated in accordance with the terms of the merger agreement, the merger will constitute a reorganization within the meaning of Section 368(a) of the Internal Revenue Code.

No Solicitation of Alternative Proposals (page 81)

IMCO and Commonwealth each agreed that neither it, nor any of its subsidiaries, nor any of its officers, directors, employees or representatives, nor any officers, directors, employees or representatives of its subsidiaries, will, directly or indirectly:

initiate, solicit or encourage any inquiries or the making of any proposal or offer that constitutes a third party competing proposal (of the type described in this joint proxy statement/prospectus);

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engage in any negotiations concerning, or provide any confidential information or data to, or have any discussions with, any person relating to a competing proposal; however, nothing will prevent either Commonwealth or IMCO or their respective boards of directors from:

complying with its disclosure obligations pursuant to Sections 14(a), 14(d) or 14(e) of the Securities Exchange Act of 1934; and

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at any time prior to, but not after, the time the merger agreement is adopted at the Commonwealth special meeting or the share issuance is approved at the IMCO special meeting, as applicable:

providing information in response to an unsolicited bona fide written competing proposal under the terms of a confidentiality agreement that contains substantially the same terms as the confidentiality agreements applicable to IMCO or Commonwealth, as the case may be;

engaging in any negotiations or discussions with any person who has made an unsolicited bona fide written competing proposal; or

recommending such a competing proposal to the stockholders of Commonwealth or IMCO, as the case may be.

Commonwealth and IMCO may only take these actions if, and only to the extent that, the applicable board of directors determines in good faith after consultation with outside legal counsel that such action, in light of the competing proposal and the terms of the merger agreement, is necessary to comply with the board's fiduciary duties, and in cases of engaging in any negotiations or discussions or making such a recommendation, Commonwealth or IMCO, as the case may be, is in compliance with the merger agreement and the board of directors determines in good faith that such competing proposal, if accepted, is reasonably likely to be consummated, and if consummated, would constitute a superior proposal (as described elsewhere in this joint proxy statement/prospectus).

Commonwealth and IMCO have agreed to promptly notify the other if any such inquiries, proposals or offers are received by, any such information is requested from, or any such discussions or negotiations are sought to be initiated or continued with, any of its representatives, to provide the name of such person and the material terms and conditions of any proposals or offers, and thereafter shall keep the other informed, on a current basis, on the status and terms of any such proposals or offers and the status of any such discussions or negotiations.

Each of Commonwealth and IMCO agrees that, during the five business day period prior to recommending a competing proposal to its stockholders, it and its outside legal counsel and financial advisors will negotiate in good faith with the other party regarding any proposed revisions to the terms of the transactions contemplated by the merger agreement. The competing proposal may only be recommended to the appropriate stockholders if the IMCO or Commonwealth board of directors, as the case may be, determines in good faith that such competing proposal continues to be a superior proposal in light of any revisions to the merger agreement to which the parties have agreed prior to the expiration of such five business day period. A new notice will be delivered with respect to each competing proposal that has been materially revised or modified prior to taking any action to recommend such competing proposal to the appropriate stockholders and a new five business day period will commence from the time of this notice. The IMCO or Commonwealth board of directors, as the case may be, however, may make a change in recommendation in respect of a competing proposal that is received 10 days or less prior to the Commonwealth special meeting or the IMCO special meeting, as the case may be, so long as the party making such change in recommendation is in compliance with the terms of the merger agreement and provides notice to the other party before making that change.

The Merger Agreement May Be Terminated in Certain Circumstances (page 83)

Before the effective time of the merger, the merger agreement may be terminated:

by mutual written consent of IMCO and Commonwealth duly authorized by their respective boards of directors;

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by either IMCO or Commonwealth, if:

the merger has not occurred on or before December 15, 2004, unless the failure is the result of a breach of the merger agreement by the party seeking the termination;

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any governmental entity has issued a final and nonappealable injunction, order, decree or ruling or has taken any other final and nonappealable action that makes the consummation of the merger illegal or otherwise prevents or prohibits the consummation of the merger;

adoption by the Commonwealth stockholders of the merger agreement by the vote of holders of a majority of the outstanding shares of Commonwealth common stock has not been obtained at the Commonwealth special meeting or any adjournment or postponement thereof; or

approval by the IMCO stockholders of the issuance of shares of IMCO common stock pursuant to the merger agreement has not been obtained by the affirmative vote of a majority of the votes cast at the IMCO special meeting or any adjournment or postponement thereof, with the total votes cast on that proposal exceeding 50% of the shares of IMCO common stock outstanding.

by IMCO, if:

Commonwealth's board of directors or any committee thereof, at any time prior to the adoption of the merger agreement by the Commonwealth stockholders, withdraws, modifies or changes, in any way adverse to IMCO, its recommendation of the merger agreement;

either (1) Commonwealth breaches any representation, warranty, covenant or agreement under the merger agreement, or (2) any of Commonwealth's representations or warranties in the merger shall become untrue, in either case such that the condition to closing relating to representations, warranties, covenants and agreements would not be satisfied, if the inaccuracy or breach cannot be or has not been cured within 30 days following receipt of notice of the inaccuracy or failure; or

the Commonwealth special meeting is not held by December 10, 2004, unless the failure is the result of IMCO's failure to fulfill any obligations under the merger agreement.

by Commonwealth, if:

IMCO's board of directors or any committee thereof, at any time prior to the approval of the share issuance by the IMCO stockholders, withdraws, modifies or changes, in any way adverse to Commonwealth, its recommendation of the merger agreement or the issuance of IMCO shares;

either (1) IMCO breaches any representation, warranty, covenant or agreement under the merger agreement, or (2) any of IMCO's representations or warranties in the merger agreement shall become untrue, in either case such that the condition to closing would not be satisfied, if the inaccuracy or breach cannot be or has not been cured within 30 days following receipt of notice of the inaccuracy or failure; or

the IMCO special meeting is not held by December 10, 2004, unless the failure is the result of Commonwealth's failure to fulfill any obligations under the merger agreement.

Fees and Expenses Following a Termination of the Merger Agreement (page 84)

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Commonwealth is liable to IMCO, or IMCO is liable to Commonwealth, to pay a termination fee of \$3.5 million, together with all of the other party's reasonably documented expenses related to the merger and the merger agreement through the date of termination, up to a maximum of \$2.0 million, if the merger agreement is terminated under certain circumstances.

Whether or not the merger is consummated, each of IMCO, Merger Sub and Commonwealth will bear its own expenses in connection with the merger agreement and the related transactions, except that IMCO and Commonwealth will share equally the expenses relating to printing, filing and mailing this joint proxy statement/prospectus.

Accounting Treatment (page 66)

The merger will be accounted for as a business combination using the purchase method of accounting. IMCO will be the acquirer for financial accounting purposes.

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Anticipated Financing Necessary to Complete the Merger (page 66)

IMCO and Commonwealth expect to refinance certain existing indebtedness simultaneously with the completion of the merger with approximately \$244 million in new indebtedness, which is anticipated to include a combination of \$125 million in proposed new senior unsecured notes of IMCO and approximately \$119 million of borrowings under a proposed new \$325 million IMCO revolving credit facility. IMCO and Commonwealth have agreed to use their reasonable best efforts to complete a financing or financings in sufficient amounts so that upon completion of the merger, Commonwealth will be able to fully refinance the indebtedness under its outstanding 10³/₄% senior subordinated notes due 2006, refinance in full all outstanding indebtedness under its existing credit facility and repurchase all outstanding accounts receivable previously sold under its receivables purchase agreement, and IMCO will be able to refinance in full its existing credit facility. IMCO and Commonwealth have agreed to use their reasonable best efforts to obtain, prior to closing, commitment letters indicating that upon completion of the merger, sufficient funds to accomplish the refinancings contemplated above will be available and not subject to non-waivable conditions other than the occurrence of the merger.

Status of Regulatory Approvals (page 67)

The merger is subject to various laws regulating competitive activities. Under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (HSR Act), the parties cannot complete the merger until they have notified and furnished information to the U.S. Federal Trade Commission and the Antitrust Division of the United States Department of Justice and the specified waiting period expires or is earlier terminated. IMCO and Commonwealth filed the information required under the HSR Act on July 21, 2004. IMCO and Commonwealth have been notified that their requests for early termination of the waiting period under the HSR Act had been granted. IMCO and Commonwealth also submitted required filings to the German Federal Cartel Office on August 20, 2004. On September 1, 2004, IMCO and Commonwealth received clearance from the German Federal Cartel Office. Each state and foreign country in which IMCO or Commonwealth has operations also may review the merger under state or foreign antitrust laws.

Material United States Federal Income Tax Consequences of the Merger (page 69)

The completion of the merger is conditioned on the receipt by IMCO and Commonwealth of tax opinions from Fulbright & Jaworski L.L.P., counsel to IMCO, and Sullivan & Cromwell LLP, counsel to Commonwealth, dated as of the date of the merger, to the effect that the merger will qualify for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the Code). In a merger that qualifies as a reorganization under Section 368(a) of the Code, the U.S. federal tax consequences will include the following, among other things:

No gain or loss will be recognized by IMCO or Commonwealth as a result of the merger;

No gain or loss will be recognized by Commonwealth stockholders who exchange all of their Commonwealth shares for IMCO shares in the merger;

The tax basis of the IMCO shares received by a Commonwealth stockholder in the merger (including any fractional share not actually received) will be the same as the tax basis of the Commonwealth shares surrendered in exchange therefor;

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The holding period of the IMCO shares received by a Commonwealth stockholder in the merger will include the holding period of the Commonwealth shares surrendered in exchange therefor, provided that such Commonwealth shares are held as capital assets at the effective time of the merger; and

A cash payment in lieu of a fraction of a share will be treated as if a fractional share of IMCO common stock had been received in the merger and then redeemed by IMCO.

For further information concerning U.S. federal income tax consequences of the merger, please see **Material United States Federal Income Tax Consequences** beginning on page 69 of this joint proxy statement/prospectus.

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Tax matters are very complicated and the consequences of the merger to any particular Commonwealth stockholder will depend on that stockholder's particular facts and circumstances. Commonwealth stockholders should consult their own tax advisors to determine their own tax consequences from the merger in light of their particular facts and circumstances.

Appraisal and Dissenters' Rights are not Available (page 68)

Neither IMCO stockholders nor Commonwealth stockholders will be entitled to dissenters' appraisal rights as result of the merger. For further information concerning dissenters' and appraisal rights, please see "The Merger: Appraisal and Dissenters' Rights are not Available in Connection with the Merger" beginning on page 68 of this joint proxy statement/prospectus.

Table of Contents**SELECTED IMCO CONSOLIDATED FINANCIAL DATA**

The following selected financial data as of and for the years ended December 31, 2003, 2002, 2001, 2000, and 1999 have been derived from IMCO's audited consolidated financial statements. The following selected financial data for the six-month periods ended June 30, 2004 and 2003 have been derived from IMCO's unaudited consolidated financial statements which include, in the opinion of IMCO's management, all adjustments, consisting of normal recurring adjustments, necessary to present fairly the results of operations and the financial position of IMCO for the periods and dates presented.

The selected financial data of IMCO set forth below should be read in connection with IMCO's financial statements and the related notes, Management's discussion and analysis of financial condition and results of operations, and the other financial information included elsewhere or incorporated by reference in this joint proxy statement/prospectus. Historical results are not necessarily indicative of results that may be expected for any future period.

The consolidation of the financial condition and results of operations of IMCO's German subsidiary, VAW-IMCO Guss and Recycling GmbH (VAW-IMCO), into IMCO's consolidated financial statements effective March 1, 2003 affects the comparability of certain information for the periods presented.

	Year ended December 31,					Six months ended June 30,	
	1999	2000	2001	2002	2003	2003	2004
(Dollars in thousands, except per share information)							
Statement of operations data (1):							
Revenues	\$ 764,831	\$ 846,939	\$ 689,337	\$ 687,168	\$ 892,015	\$ 434,535	\$ 570,947
Cost of sales	694,193	799,586	656,013	640,696	837,428	404,789	525,384
Gross profit	70,638	47,353	33,324	46,472	54,587	29,746	45,563
Selling, general and administrative expense	24,924	27,334	22,686	26,549	38,242	17,457	26,648
Amortization expense (2)	4,653	4,374	4,299				
Fees on receivables sale		1,082	3,372	1,698	843	581	
Interest expense (3)	12,478	17,490	11,038	9,727	15,806	6,053	13,305
Other (income) expense, net	(1,456)	(278)	(301)	(367)	(4,017)	22	184
Equity in net loss (earnings) of affiliates	(2,265)	(3,060)	(3,131)	(2,403)	(789)	(911)	45
Earnings (loss) before income taxes, minority interest and cumulative effect of accounting change	32,304	411	(4,639)	11,268	4,502	6,544	5,381
Provision for (benefit from) income taxes	11,162	(424)	(2,243)	3,843	(1,029)	2,493	2,295
Earnings (loss) before minority interest and cumulative effect of accounting change, net of tax benefit	21,142	835	(2,396)	7,425	5,531	4,051	3,086
Minority interest, net of provision for income taxes	346	552	326	561	560	265	87
Earnings (loss) before cumulative effect of accounting change	20,796	283	(2,722)	6,864	4,971	3,786	2,999
Cumulative effect of accounting change, net of tax benefit (2)				(58,730)			
Net earnings (loss)	\$ 20,796	\$ 283	\$ (2,722)	\$ (51,866)	\$ 4,971	\$ 3,786	\$ 2,999

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Net earnings (loss) per common share:

Basic before accounting change	\$	1.26	\$	0.02	\$	(0.18)	\$	0.47	\$	0.34
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