

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) February 21, 2006

Brush Engineered Materials Inc.

(Exact name of registrant as specified in its charter)

<u>Ohio</u> (State or other jurisdiction of incorporation)	<u>001-15885</u> (Commission File Number)	<u>34-1919973</u> (IRS Employer Identification No.)
<u>17876 St. Clair Avenue, Cleveland, Ohio</u> (Address of principal executive offices)		<u>44110</u> (Zip Code)

Registrant's telephone number, including area code 216-486-4200

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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Item 7.01 Regulation FD Disclosure

On February 21, 2006, Brush Engineered Materials Inc., an Ohio corporation (the “Company”), updated its website with materials that will be presented by Richard J. Hipple, President and Chief Operating Officer and John Grampa, Vice President Finance and Chief Financial Officer, to investors on February 22, 2006. A copy of the presentation is attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits

Exhibits:

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
99.1	February 2006 Investor Presentation

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

February 21, 2006

Brush Engineered Materials Inc.

By: /s/ Michael C. Hasychak
Michael C. Hasychak
Vice President, Treasurer and Secretary



***Investor Presentation
February 22, 2006***

Forward-Looking Statements

These slides contain (and the accompanying oral discussion will contain) “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of the Company to differ materially from the results expressed or implied by these statements, including health issues, litigation and regulation relating to our business, our ability to achieve profitability, significant cyclical fluctuations in our customers’ businesses, competitive substitutes for our products, risks associated with our international operations, including foreign currency rate fluctuations, energy costs and the availability and prices of raw materials and other factors disclosed in periodic reports filed with the Securities and Exchange Commission. Consequently these forward looking statements should be regarded as the Company’s current plans, estimates and beliefs.

The Company does not undertake and specifically declines any obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect any future events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.

Overview

- **Company:** **Brush Engineered Materials Inc.**
founded 1931, publicly traded since 1956
- **NYSE Ticker:** **BW**
- **Shares Outstanding:** **Approximately 19.3 million at 12/31/05**
- **Market Cap:** **Approximately \$305 million at 12/31/05**
- **Component of:** **S&P Super Composite 1500**
Russell 2000
S&P Small Cap 600
- **Annual Revenue:** **\$541 million @ 12/31/05**
- **Diluted EPS:** **\$.92 in 2005**
- **Debt to Total Capitalization:** **21% at 12/31/05**



Advancing the World's Technologies

- Demanding material applications requiring:
 - Strength
 - Reliability
 - Thermal & electrical conductivity
 - Miniaturization
 - Weight reduction
 - Corrosion resistance
 - Reflectivity
- Strong customer collaboration ... technology and service

End Uses

Cellular phones and other wireless communications



Notebook and network computers



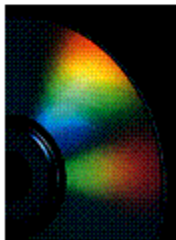
Electronic components in cars and trucks



Life enhancing devices



Magnetic & Optical
Data Storage

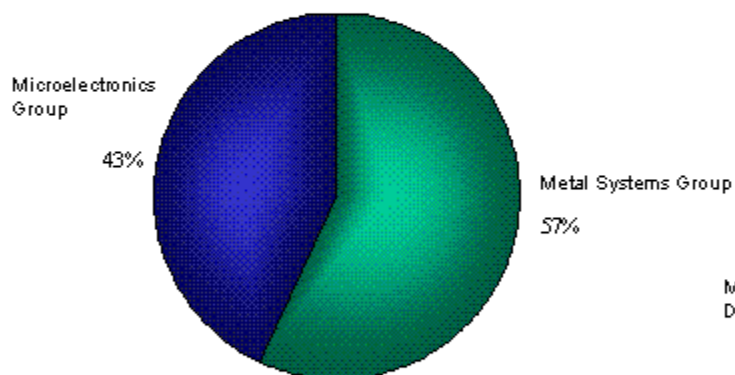


Industrial products

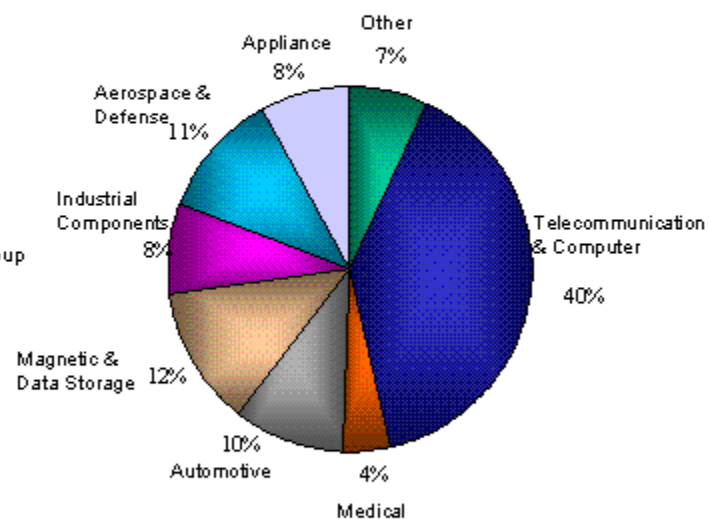


Global Leader in High Performance Engineered Materials

2005 Revenue by Segment

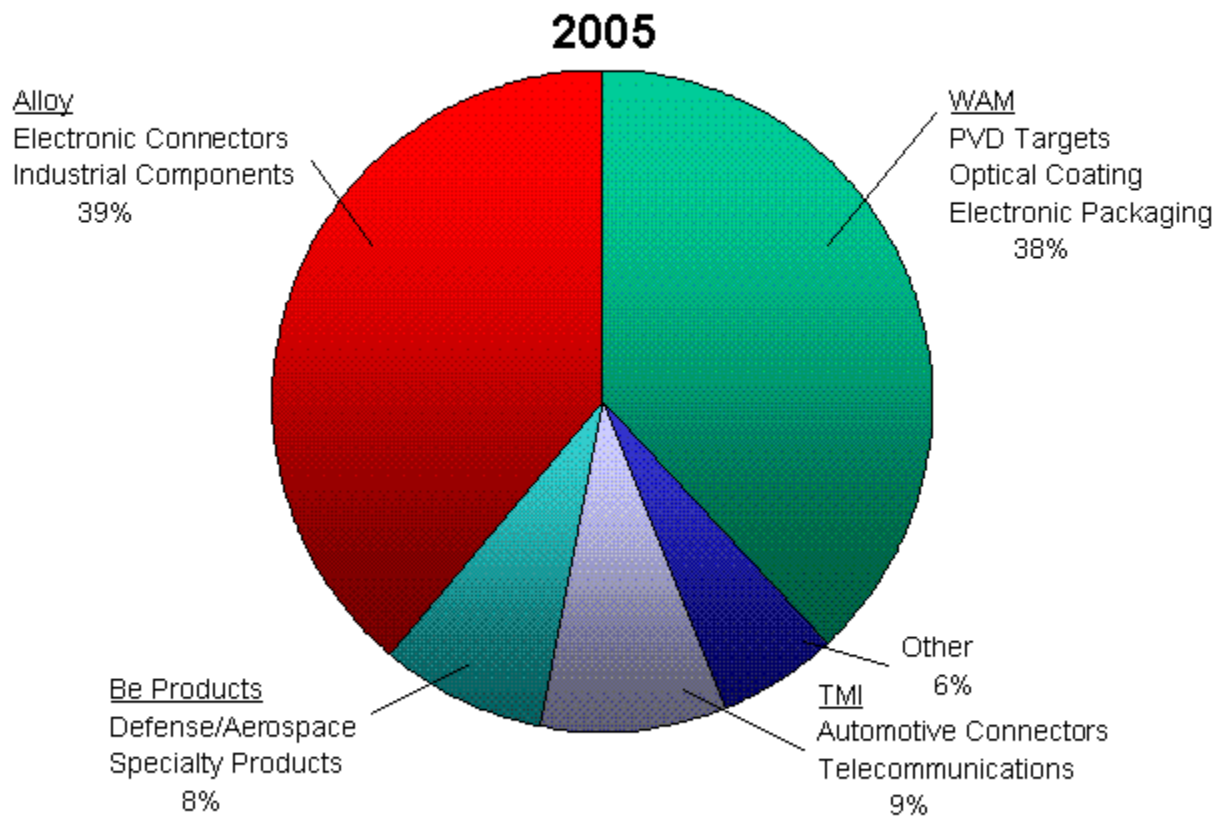


2005 Revenue by Market



Note: Total 2005 revenues were \$541.3 million

Brush Engineered Materials – Major Business Units



Fully Integrated Beryllium Producer

**Bertrandite Ore
Mining & Extraction**



Delta, UT

**Casting, Rolling
& Finishing**



Elmore, OH

**Thin Gauge Rolling
& Finishing**



Reading, PA

**Service &
Distribution Centers**

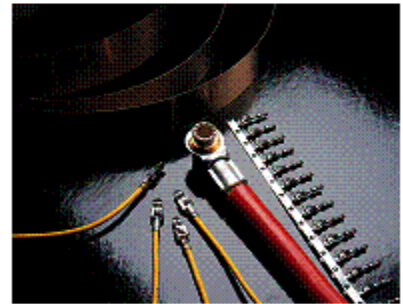
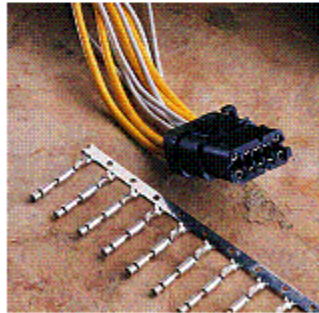
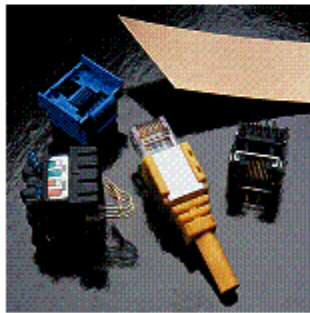
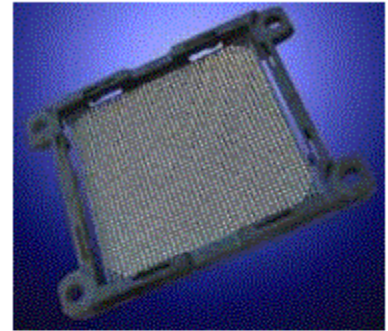


Global Network

Strip Alloy Applications

(strength, conductivity, spring characteristics)

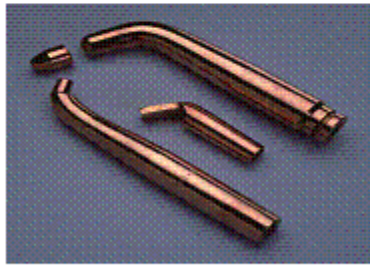
- Current Carrying Springs and Relays
- Integrated Circuitry Sockets
- Electrical and Electronic Connectors
- Air Bag Sensors
- Pressure Responsive Devices
- Fire Extinguisher Sprinkler Heads



Bulk Alloy Applications

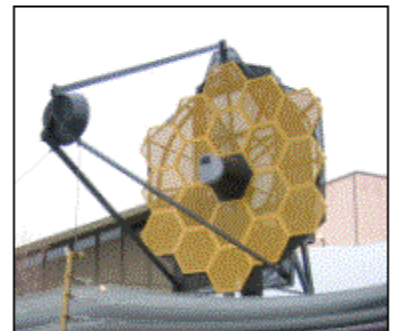
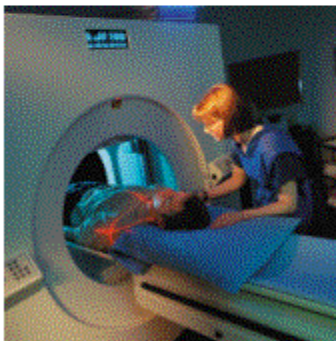
(strength, corrosion resistance, non-galling, conductivity)

- Aircraft Bushings
- Heavy Equipment Bearing and Wear Applications
- Oilfield well drilling, completion and production equipment
- Plastic Injection & Blow Molds
- Power Generation
- Undersea/Marine Housings for Telecom & Instrumentation
- Welding Electrodes & Dies



Beryllium Products – Applications (lightweight, strength, dimensional, stability)

- Optical mirrors for NASA space-based telescopes
- Infrared sensors for fighter jet optical targeting, radar and navigation/guidance systems and special ops
- Structural and electronic components for satellites
- X-ray windows in medical, security and commercial imaging systems
- Diaphragms for commercial and concert quality speaker systems



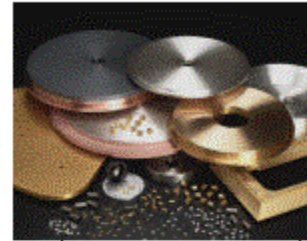
Williams Advanced Materials also has broad capabilities in precious and non-precious materials

- Comprehensive product line
 - High purity / proprietary PVD targets
 - Micro-electronic packaging materials
- Strong end use markets
 - Data storage
 - Optical media
 - Wireless / handsets
 - Semiconductor
- Industry leading service and support
 - Global sales and applications support
 - “Best-in-class” response times
 - Low-cost operations in Singapore, Taiwan and the Philippines

Williams Advanced Materials - Physical Vapor Deposition(PVD) Products



Cellular Phone (wireless)



Sputtering Targets

› Markets

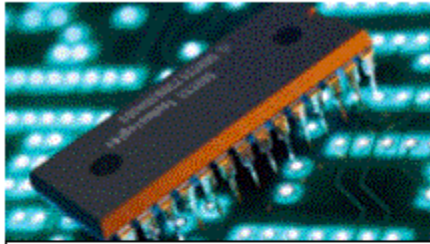
Wireless ICs, semiconductor, optical media, photonics, hard disk drives (disc & thin film heads) and performance films

› Typical End-uses

RF power amplifiers, LEDs, laser diodes, fiber optic components, integrated circuits, DVDs, hard disks, medical devices, MP3 players, mobile electronics, optical devices

- › **Precious Metal Sputtering Targets and Evaporation Materials**
- › **Precious Metal Refining Services**
- › **Non-precious Metal Sputtering Targets and Evaporation Materials**
- › **Inorganic chemical targets**

Williams Advanced Materials - Packaging Material Products



Hybrid Microelectronic Device



Solder preforms and clad materials

- **Markets**

- Wireless, Photonics and Hybrid/
Traditional Microelectronic Devices

- **Typical End-uses**

- Cell phones, LEDs, fiber-optic
networks, PC's, military
electronics, avionics, medical
electronics, mobile appliances

- **Combo-Lids® - Frame/lid assembly**

- Hermetic sealing

- **Clad Materials**

- Thermal management

- **Bonding Wire**

- Electronic interconnect

- **Solder Preforms**

- Component attachment

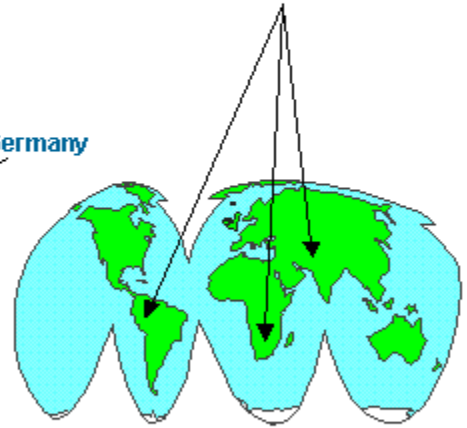
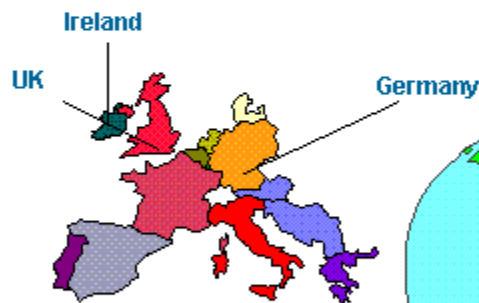
- **Refining**

- Scrap recovery

Global Sales and Distribution Network

- Operations in the U.S. and ten foreign locations
- International sales are 33% and growing

◀ ----- Asia / Pacific ----- ▶ ◀ ----- Europe ----- ▶ ◀ - Exports from USA - ▶

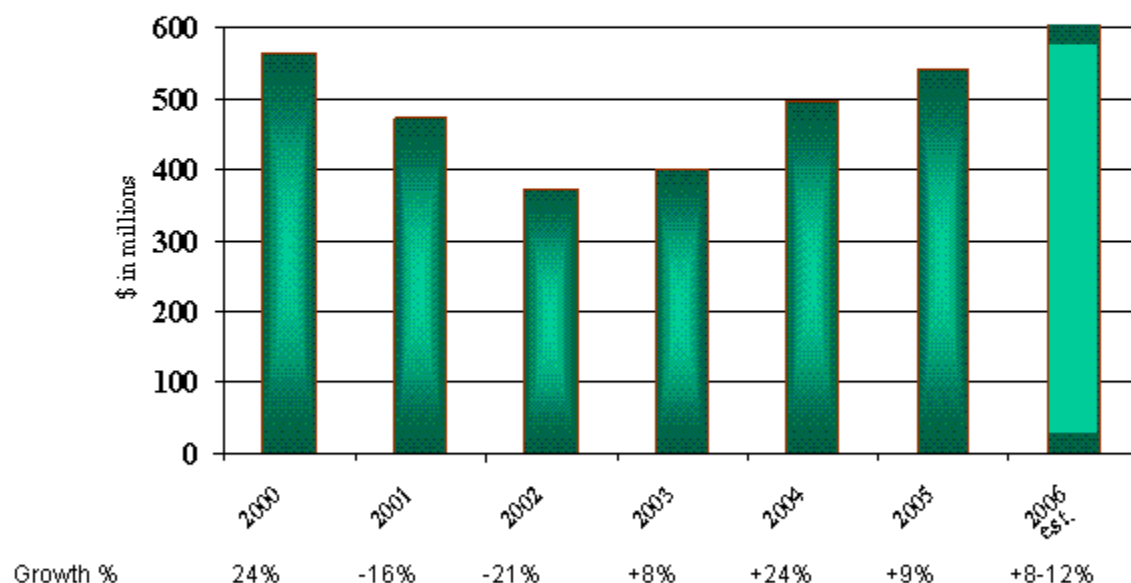


Capacity to Support Profitable Market Growth

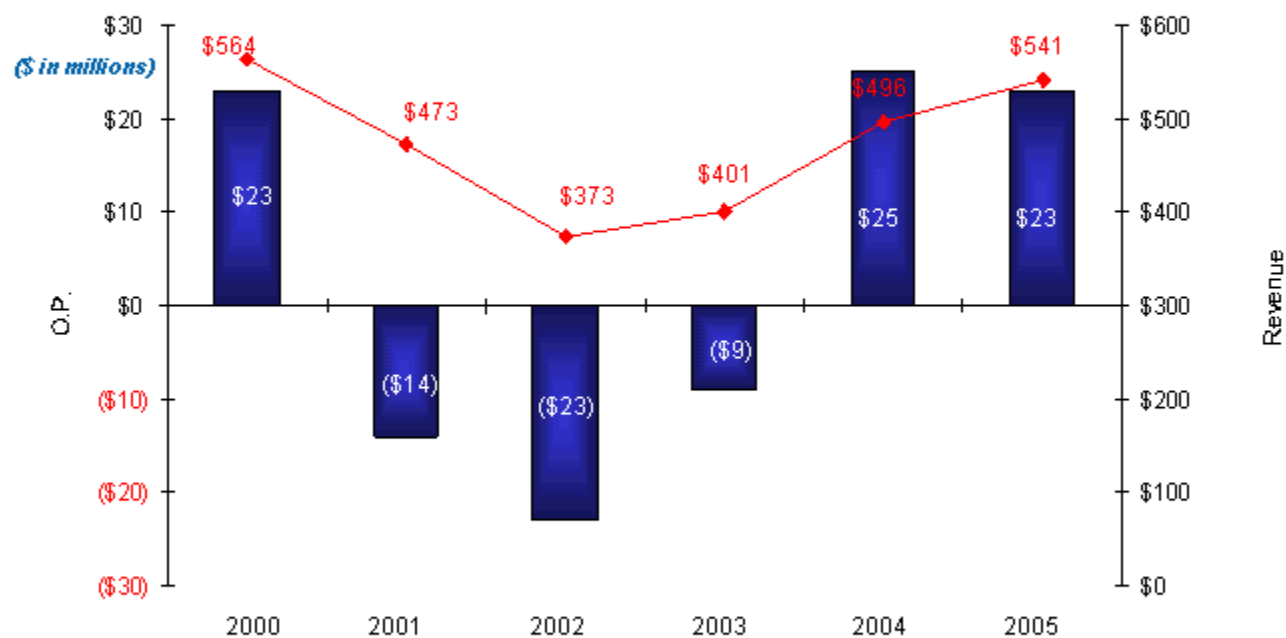
- \$160 million invested between 1996 and 2001
- Operating with significant available excess capacity
- Significant productivity gains in recent years

Annual Revenue: Historical

In 2001, the telecommunications and computer market declined; In 2003, our revenue growth began to return to historical rates



Annual Operating Profit (Loss) Compared to Revenue: Historical



Note: 2005 excludes \$3.8 million subdebt prepayment charge

Our on-going performance improvement initiatives are focused on five key areas

- Expanding and diversifying the revenue base
- Improving operating efficiencies
- Reducing overhead costs
- Reducing debt
- Positioning for global market growth

Margins have improved through cost reduction and productivity improvement initiatives



Outlook

Assuming no change in recent trends, sales for 2006 are currently expected to be in the range of \$580 to \$600 million ... up 8% to 12%

Order book gaining momentum across most sectors

- Consumer electronics is strengthening ... steady growth
- Telecom infrastructure seems to be recovering from an inventory correction ... modest growth
- Magnetic media is healthy and growing ... strong growth
- Industrial components continues to strengthen ... strong growth
- Defense appears to be healthy ... steady growth

Other factors playing an important role

- New products adding to our base
- Acquisitions adding to growth and profitability
- Gross margins are improving

Concerns or issues

- Second half demand could soften
- Metal prices continue to climb

Outlook

Assuming no change to the recent projected sales range for the year, earnings in 2006 are expected to be in the range of \$.80 to \$.95 per share

Includes an additional \$.24 to \$.28 per share tax expense compared to 2005

- New effective tax rate of 28% to 30%
- Tax expense is non-cash due to sizable NOL's

Gross margin % should improve by as much as 1 to 2 pts, driven by:

- Favorable mix shift
- Recent price increases

Interest expense lower due to subordinated debt prepayment

Acquisitions

Three acquisitions in support of Williams Advanced Materials' physical vapor deposition (PVD) business are adding to our growth and profitability in 2006

- **OMC Scientific adds services and technology**
- **Thin Film Technology adds our visi-lid partner and PVD coating services for existing and new markets**
- **Cerac compliments the products and services we currently supply and adds a new platform of inorganic materials for a variety of markets**

The aggregate purchase price was approximately \$38 million

- **Sales in 2006 are expected to be in the range of \$37 to \$39 million**
- **Operating profit in 2006 is expected to be in the range of \$6 to \$7 million**

Strategic Highlights

- **Strong, diverse set of markets served**
- **Global market reach**
- **New products and services**
- **Niche oriented product offerings**
- **Acquisitions adding to growth and earnings**
- **Focus on operational excellence paying dividends**
- **Strong cash flow**
- **Strong balance sheet provides liquidity to support growth**