

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):
March 07, 2007

GALES INDUSTRIES INCORPORATED

(Exact Name of Registrant as Specified in its Charter)

Delaware	000-29245	20-4458244
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State of	Commission	IRS Employer
Incorporation	File Number	I.D. Number

1479 North Clinton Avenue, Bay Shore, NY 11706

Address of principal executive offices

Registrant's telephone number: (631) 968-5000

(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))

Item 2.02. Results of Operations or Financial Conditions

In the course of the events described hereinbelow, Gales Industries Incorporated ("Gales") announced a revised firm order backlog of \$39 Million dollars (please see slide 14 of the attached Presentation).

Item 7.01. Regulation FD Disclosure.

On March 07, 2007, representatives of Gales delivered a presentation to investors. Gales' presentation was scheduled to begin at 4:30 p.m. Eastern Time. A copy of this presentation is attached as Exhibit 99.

The information in this Form 8-K, including Exhibit 99 attached hereto, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act"), or otherwise subject to the liability of such section, nor shall it be deemed incorporated by reference in any filing by Gales under the Securities Act of 1933 or the Exchange Act, regardless of any general incorporation language in such filing, unless expressly incorporated by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits.

Exhibit No.

99 Gales Industries Incorporated Presentation

SIGNATURES

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

Dated: March 07, 2007

GALES INDUSTRIES
INCORPORATED

By: /s/ Michael A. Gales

Michael A. Gales, Executive Chairman



**GALES INDUSTRIES INCORPORATED
(OTCBB: GLDS)**

**Long Island
Investor Presentation
March 7, 2007**

Safe Harbor Statement

Except for the historical information contained herein, the matters discussed in this presentation contain forward-looking statements. The accuracy of these statements is subject to significant risks and uncertainties. Actual results could differ materially from those contained in the forward-looking statements. See the Company's SEC filings on Forms 10-K and 10-Q for important information about the Company and related risks.

GALES INDUSTRIES

Overview

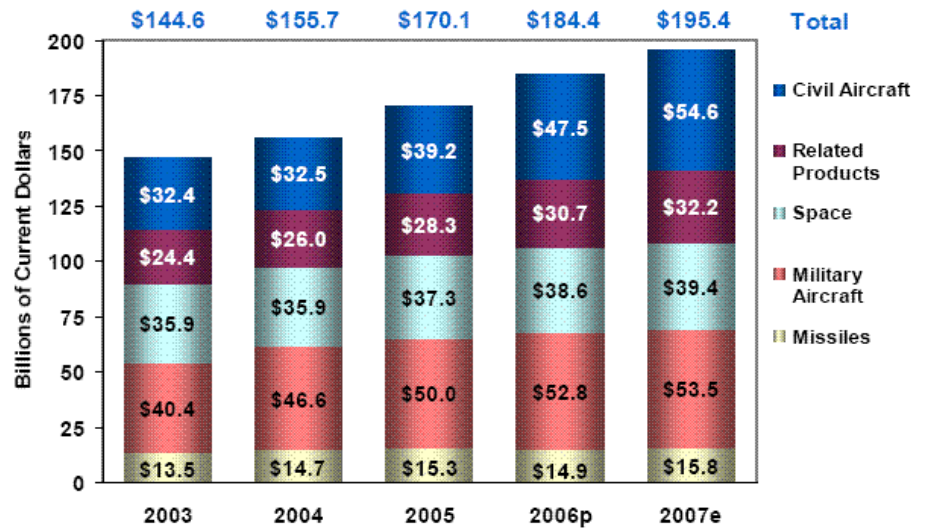
- Gales Industries Incorporated (OTCBB: GLDS) was organized to execute an aerospace/defense industry consolidation strategy
- Reverse merger into public company and simultaneous equity and debt financing, November 2005
- Air Industries Machining Corporation (AIM) acquired by Gales as its initial platform company, November 2005
- In first year management focused on improving operating performance, pursuing organic growth, and established SEC compliance
- Consolidation strategy continues – Advanced negotiations with 5 target companies; Identifying additional target companies
- Growth strategy concentrated on increasing revenues and market share while benefiting from economies of scale
- Goal: To reach \$250 million in revenue and 20% pre-tax margin

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Healthy Aerospace Industry Environment

- Continued industry sales growth -- \$195 billion in 2007
- 2007 defense budget expected to exceed 2006 level
- Commercial aircraft segment (Boeing) sales for 2007 to reach \$55 billion vs. \$48 billion in 2006
- World freighter aircraft fleet expected to double from 1,760 to 3,530 aircraft (20 years)

Industry Sales

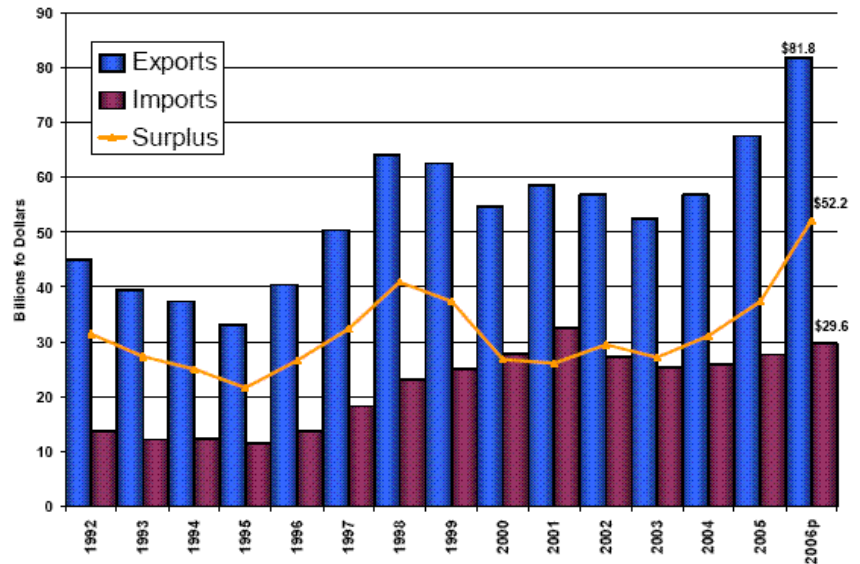


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Healthy Aerospace Industry Environment

- Aerospace is America's largest export business -- only segment with a positive balance of trade
- Becoming more of a global business, yet preference for domestic defense manufacturers

Foreign Trade



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Industry Trends -- Growth and Consolidation

- Since mid-1990s, prime aerospace companies have been consolidating to achieve economy of scale benefits, increased market share
- Consolidated prime contractors are subcontracting with fewer subcontractors and are expecting more from them
- Industry participants of the future will be larger, well-funded, sophisticated and competitive
- Smaller and less competitive companies will cease to exist or become targets of opportunity...at value pricing
- Gales is targeting these smaller companies for consolidation
- Industry M&A in 2005 of \$32 billion; Gales possible target as it achieves critical mass

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Case Study – Triumph Group (NYSE: TGI)

- Consolidation strategy commenced in 10/95
- Initial public offering at \$19/share in 10/96
- Share price appreciated 142% in 18 months

	<u>Revenue</u>	<u>% Growth</u>
1996	\$187 mil.	14%
1997	\$251 mil.	34%
1998	\$330 mil.	31%



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Case Study – Ducommun (NYSE: DCO)

- Consolidation strategy commenced in 1994
- Share price appreciated 216% from '94-'96
- Share price appreciated 255% from '96-'98

	Revenue	% Growth
1994	\$62 mil.	-5%
1995	\$91 mil.	47%
1996	\$118 mil.	30%
1997	\$157 mil.	33%
1998	\$171 mil.	9%



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Gales Consolidation Strategy

- Gales offers a tailored exit strategy in exchange for more cost-effective acquisitions and to acquire target companies on a value pricing basis
- Seeking companies well-known to management
- Operational and technological synergies
- Contribute to enhanced market share and economies of scale
- Targeting accretive acquisitions to enhance profitability and unlock shareholder value

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Large Market Share to Enhance Margins/Profits

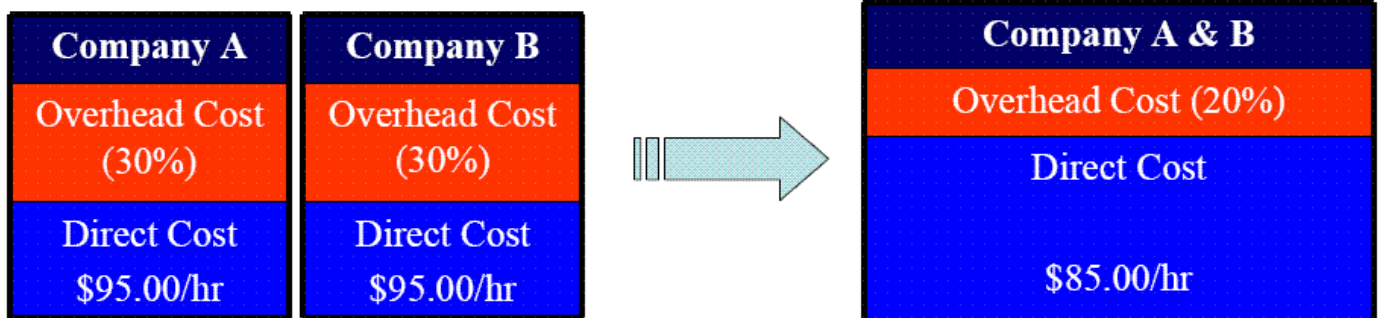
- “Market Share” refers to a substantial work share in a “strategic alignment” with our customers (Boeing, Lockheed, Sikorsky, etc.)
- Profitability comes from price negotiation, not successful price competition
- Substantial “market share” creates negotiation leverage and other opportunities (aftermarket, etc.)
- The goal is to create a relationship of mutuality and where the supplier is of greater importance to the customer

“A seat at the table”

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Economies of Scale to Reduce Cost and Enhance Competitiveness

- Corporate consolidation - A larger business base operating through a reduced (consolidated) overhead structure
- Lower cost per hour
- Increases profitability against fixed pricing
- Increases competitiveness
- Increased business base and cash position yields better purchasing power



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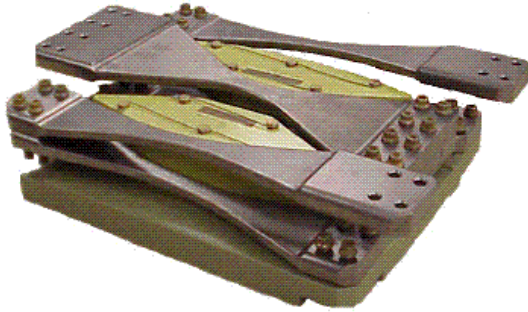
AIM as Initial Platform Company

Air Industries -- A platform company poised for growth

- Embedded prime contractor relationships: Boeing, Goodrich, Lockheed, Northrop Grumman, Sikorsky, United States Government (various armed forces divisions), others
- Industry approvals and certifications (AS9100 / ISO 9000); Customer quality approvals
- Aircraft machining, structural and mechanical assembly core competencies
- Strong industry reputation since 1969
- Lean manufacturing excellence
- 170 Employees; 76,000 Sq. Ft. facility on 5.4 acres in Bay Shore, NY

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AIM -- Select Products



CH-60 (BLACK HAWK) VIBRATION ABSORBER



E2C
ARRESTING GEAR

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AIM Post-Acquisition Improvements

- Increased revenues: Sales of \$31 million in 2005...sales for 9 months 2006 of \$26 million
- Improved margins: Gross profit as percentage of sales increased from 8.5% in 4Q05 to 17% in 1Q06 to 19.3% in 3Q06
- Largest Firm Backlog: Firm contracts at \$39 million; Anticipated orders bring total 18-Month backlog to over \$60 million
- Continued diversification of customer base, programs and market segments
- Capital investments: \$600,000 to upgrade/increase production capacity in 2006

AIM now primed for consolidation of acquisition targets/industry competitors...to realize economies of scale and market share benefits

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Portrait of A Strategic Acquisition

Σ Sigma Metals, Inc.

- Gales' second acquisition (announced 12/06) – A new platform company
- Strategic metals distributor – \$18 million revenues
- Highly accretive to earnings
- High margins and strong cash flow; Inventory turns of 18x/year
- Improves overall access to critical sources of supply for manufacturing of our core products
- Provides hedge against inflation
- Purchased for \$5 million in combination of cash, restricted stock, and debt
- ISO 9001:2000 certification
- Closing expected on/about April 2007



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Experienced Leadership

- **Peter D. Rettaliata – President & CEO**
22+ years with Grumman Corporation; Recognized business leader and aerospace industry luminary
- **Dario A. Peragallo – Executive Vice President, Manufacturing**
Senior engineering and manufacturing executive; ISO 9001 expert who has positioned Air Industries as a quality leader in the A&D sector
- **Louis A. Giusto – Vice Chairman, CFO & Treasurer**
Experienced senior financial officer & treasurer; Thirty years managing complex accounting & finance operations; High growth banking and manufacturing expertise
- **Board Of Directors**
Experienced leaders focused on delivering growth coupled with financial performance. Significant industry, capital markets, financial, and operational expertise.

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Select Financial Highlights

- Market capitalization -- \$20 million
- 68 million fully diluted shares (including warrants/options)
- 52-week high \$2.25/low \$0.22
- Excellent banking relationships led by PNC Bank
- Availability under existing credit facility

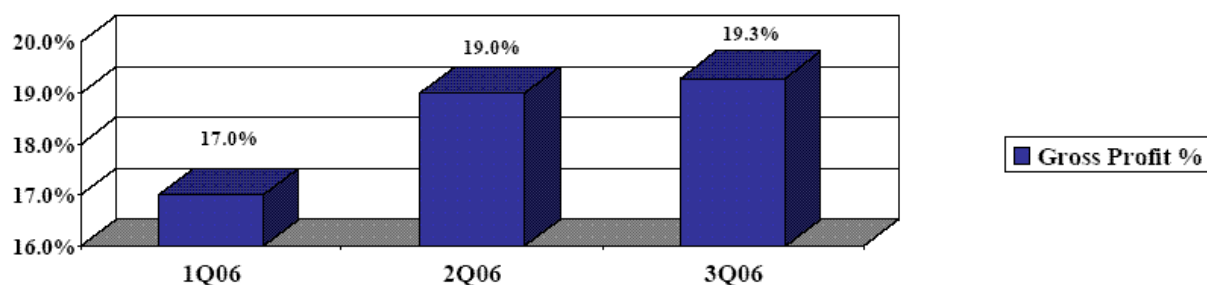
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Income Statement Highlights

in thousands

9M06

Net Sales	\$26,002,000
Gross Profit	\$4,787,000
Gross Profit Margin	18.4%
Operating Income	\$1,331,000
EBITDA	\$1,814,000
Net Income	\$244,000



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Backlog Data

Air Industries

- Current backlog - \$60 million (highest ever)
- Current RFQ level – Record volume

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Balance Sheet Highlights (9/30/06)

\$ in thousands

Current Assets	\$17,298
Other Assets	<u>\$9,261</u>
Total Assets	\$26,559
Total Liabilities	\$19,156
Bank Debt	\$10,596*
Stockholders' Equity	<u>\$7,403</u>
Total Liabilities and Equity	\$26,559

* Reduced by approximately 50% during 4Q06

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Summary -- Gales Investment Merits

- **Large, healthy aerospace market; substantial consolidation opportunities**
- **Strong reputation for engineering and quality expertise as our cornerstone**
- **Customers include prime aerospace and defense industry leaders**
- **Since 2005 closing of initial portfolio company:**
 - *Improved operating efficiency*
 - *Improved balance sheet, reduced debt levels*
 - *Infrastructure in place to support M&A strategy going forward; poised to profitably integrate consolidation targets*
- **Initial platform company (AIM) achieving record results, record backlog**
- **Second acquisition signed - Sigma Metals with revenues of \$18 million**
- **Substantive negotiations advancing with several more targets**

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