



SPECIALTY STEEL INDUSTRY OF NORTH AMERICA

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FOR IMMEDIATE RELEASE

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Specialty Metals Industry Group Releases Year-end Market Data

(Washington, D.C.)(March 2, 2006)—The Specialty Steel Industry of North America (SSINA) today released the latest available statistical data on imports, U.S. consumption and import penetration for annual 2005 as compared to 2004. Following data presented by specialty steel product line, total stainless steel, and total specialty steel:

- Stainless steel sheet/strip: Annual 2005 imports were 378,748 tons, down 13% from 2004; U.S. consumption was 1,624,772 tons, a 10% decrease; import penetration was 23%, a one percentage point decrease.
- Stainless steel plate: Annual 2005 imports were 83,374 tons, up 22% from 2004; U.S. consumption was 253,462 tons, a 12% decrease; import penetration was 33%, a nine percentage point increase.
- Stainless steel bar: Annual 2005 imports were 124,008 tons, up 48% from 2004; U.S. consumption was 236,185 tons, a 15% increase; import penetration was 53%, a twelve percentage point increase.
- Stainless steel rod: Annual 2005 imports were 41,538 tons, down 13% from 2004; U.S. consumption was 66,095 tons, a 10% decrease; import penetration was 63%, a two percentage point decrease.
- Stainless steel wire: Annual 2005 imports were 43,654 tons, up 4% from 2004; U.S. consumption was 76,366 tons, a 7% decrease; import penetration was 57%, a six percentage point increase.

In annual 2005, imports of total stainless steel (comprising the foregoing product lines) were 671,322 tons, reflecting a 1% decrease from 2004; U.S. consumption was 2,256,880 tons, an 8% decrease; import penetration was 30%, a two percentage point increase.

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- Alloy tool steel: Annual 2005 imports were 121,860 tons, up 29% increase from 2004; U.S. consumption and import penetration are not calculable.
- Electrical steel: Annual 2005 imports were 82,595 tons, down 5% from 2004; U.S. consumption was 406,473 tons, a 2% increase; import penetration was 20%, a two percentage point decrease.

Imports of total specialty steel (comprising stainless steel, alloy tool steel and electrical steel) in annual 2005 were 875,778 tons, reflecting a 2% increase over 2004; U.S. consumption was 2,764,314 tons, a 6% decrease; import penetration was 32%, a three percentage point increase. See chart for additional data on imports, U.S. consumption and import penetration for 2004 and 2003.

SSINA is a Washington, DC-based trade association representing virtually all continental specialty metals producers. Specialty metals are high technology, high value stainless and other specialty alloy products.

Member companies are: AK Steel Corporation, Middletown, OH; Allegheny Ludlum Corporation, Pittsburgh, PA and Allvac, Monroe, NC (both Allegheny Technologies companies); Carpenter Technology Corporation, Reading, PA; Crucible Specialty Metals, Syracuse, NY; Electralloy, Oil City, PA; Haynes International Inc., Kokomo, IN; ThyssenKrupp Mexinox SA de CV, San Luis Potosí, S.L.P., Mexico; North American Stainless, Ghent, KY; Outokumpu Stainless, Inc., Schaumburg, IL; Precision Rolled Products, Inc., Florham Park, NJ; Special Metals Corporation, Huntington, WV; Timken Latrobe Steel, Latrobe, PA; Universal Stainless and Alloy Products, Bridgeville, PA; and Valbruna Slater Stainless Inc., Fort Wayne, IN.

David A. Hartquist, an international trade attorney with the Washington, DC law firm Collier Shannon Scott, PLLC, serves as lead counsel to SSINA.

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**U.S. Imports, Consumption and Market Penetration Data 1/
For Specialty Steel Product Lines
2005/2004/2003
(in short tons)**

Specialty Steel Product Lines	Imports			U.S. Consumption			Twelve Month Import Penetration	
	Month Dec 2005	YTD Dec 2005	Increase/Decrease YTD 2005-04	Month Dec 2005	YTD Dec 2005	Increase/Decrease YTD 2005-04	YTD Dec 2005	YTD Dec 2004
Stainless Sheet/Strip	31,463	378,748	-13%	135,828	1,624,772	-10%	23%	24%
Stainless Plate	6,434	83,374	22%	21,397	253,462	-12%	33%	24%
Stainless Bar	8,739	124,008	48%	16,352	236,185	15%	53%	41%
Stainless Rod	2,604	41,538	-13%	4,994	66,095	-10%	63%	65%
Stainless Wire 2/	3,245	43,654	4%	6,002	76,366	-7%	57%	51%
Total Stainless Steel (Sheet, Strip, Plate, Bar, Rod & Wire)	52,484	671,322	-1%	184,573	2,256,880	-8%	30%	28%
Alloy Tool Steel 3/	10,035	121,860	29%	NC	NC	NC	NC	NC
Electrical Steel	5,798	82,595	-5%	32,948	406,473	2%	20%	22%
Total Specialty	68,318	875,778	2%	225,613	2,764,314	-6%	32%	29%

2004 and 2003 statistical data in tons follow:

Specialty Steel Product Lines	Imports		U.S. Consumption		Twelve Month Import Penetration	
	2004	Increase/Decrease 2004 vs. 2003	2004	Increase/Decrease 04 vs. 03	2004	2003
Stainless Sheet/Strip	435,775	42%	1,811,334	14%	24%	19%
Stainless Plate	68,433	32%	288,035	2%	24%	18%
Stainless Bar	83,533	23%	204,638	11%	41%	37%
Stainless Rod	47,616	35%	73,641	16%	65%	56%
Stainless Wire	41,816	22%	81,707	13%	51%	47%
Total Stainless Steel (Sheet, Strip, Plate, Bar, Rod & Wire)	677,173	37%	2,459,356	13%	28%	23%
Alloy Tool Steel 3/	94,641	8%	NC	NC	NC	NC
Electrical Steel	86,702	8%	396,924	2%	22%	21%
Total Specialty	858,516	29%	2,929,633	11%	29%	25%

NOTE: Changes in import penetration are percentage point changes.

1/ Imports through 2004 adjusted to exclude hot bands imported for re-rolling and reported under shipments.

2/ October - December 2005 Shipments of Wire are estimated based on January - September data.

3/ Shipments of Alloy Tool Steel unavailable; hence consumption and import penetration not calculable.

NC = Not calculable.

Prepared by Georgetown Economic Services for the Specialty Steel Industry of North America