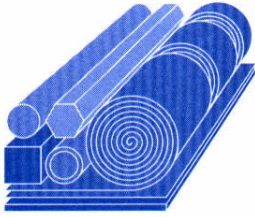


# NEWS



## SPECIALTY STEEL INDUSTRY OF NORTH AMERICA

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FOR IMMEDIATE RELEASE

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### **Specialty Metals Industry Group Releases Six Month Market Data**

(Washington, D.C.)(September 11, 2006)—The Specialty Steel Industry of North America (SSINA) today released the latest available statistical data on imports, U.S. consumption and import penetration covering year-to-date June 2006 compared to the same six-month period in 2005. Following data presented by specialty steel product line, total stainless steel, and total specialty steel:

- Stainless steel sheet/strip: YTD June imports were 241,971 tons, a 26% increase over YTD June 2005; U.S. consumption was 922,584 tons, an 8% increase; six-month import penetration was 26%, a three percentage point increase.
- Stainless steel plate: YTD June imports were 45,804 tons, a 19% increase over YTD June 2005; U.S. consumption was 165,045 tons, a 30% increase; six-month import penetration was 28%, a two percentage point decrease.
- Stainless steel bar: YTD June imports were 55,006 tons, a 15% decrease over YTD June 2005; U.S. consumption was 111,276 tons, a 12% decrease; six-month import penetration was 49%, a two percentage point decrease.
- Stainless steel rod: YTD June imports were 14,669 tons, a 42% decrease over YTD June 2005; U.S. consumption was 32,699 tons, a 16% decrease; six-month import penetration was 45%, a twenty percentage point decrease.
- Stainless steel wire: YTD June imports were 23,911 tons, a 5% increase over YTD June 2005; U.S. consumption was 43,121 tons, a 7% increase; six-month import penetration was 55%, a two percentage point decrease.

Imports of total stainless steel (comprising the foregoing product lines) in the first six months of 2006 were 381,362 tons, an 11% increase compared to the same 2005 period; U.S. consumption was 1,274,725 tons, an 8% increase; import penetration was 30%, a one percentage point increase.

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- Alloy tool steel: YTD June imports were 52,406 tons, a 14% decrease over YTD June 2005; U.S. consumption and import penetration were not calculable.
  
- Electrical steel: YTD June imports were 39,246 tons, a 17% decrease over YTD June 2005; U.S. consumption was 230,007 tons, a 10% increase; six-month import penetration was 17%, a six percentage point decrease.

Imports of total specialty steel (comprising stainless steel, alloy tool steel and electrical steel) in the first six months of 2006 were 473,013 tons, a 5% increase compared to the same 2005 period; U.S. consumption was 1,544,050 tons, a 7% increase; import penetration was unchanged at 31%. See chart for additional data on imports, U.S. consumption and import penetration for 2005 and 2004.

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.

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**U.S. Imports, Consumption and Market Penetration Data 1/  
For Specialty Steel Product Lines  
2006/2005/2004  
(in short tons)**

Specialty Steel Product Lines	Imports			U.S. Consumption			Six Month Import Penetration	
	Month Jun 2006	YTD Jun 2006	Increase/Decrease YTD 2006-05	Month Jun 2006	YTD Jun 2006	Increase/Decrease YTD 2006-05	YTD Jun 2006	YTD Jun 2005
Stainless Sheet/Strip	42,167	241,971	26%	162,326	922,584	8%	26%	23%
Stainless Plate	12,164	45,804	19%	35,961	165,045	30%	28%	30%
Stainless Bar	10,590	55,006	-15%	21,242	111,276	-12%	49%	51%
Stainless Rod	2,036	14,669	-42%	5,194	32,699	-16%	45%	65%
Stainless Wire 1/	4,061	23,911	5%	7,057	43,121	7%	55%	57%
<b>Total Stainless Steel</b> (Sheet, Strip, Plate, Bar, Rod & Wire)	<b>71,018</b>	<b>381,362</b>	<b>11%</b>	<b>231,779</b>	<b>1,274,725</b>	<b>8%</b>	<b>30%</b>	<b>29%</b>
Alloy Tool Steel 2/	9,997	52,406	-14%	NC	NC	NC	NC	NC
Electrical Steel	8,190	39,246	-17%	53,667	230,007	10%	17%	23%
<b>Total Specialty</b>	<b>89,205</b>	<b>473,013</b>	<b>5%</b>	<b>293,241</b>	<b>1,544,050</b>	<b>7%</b>	<b>31%</b>	<b>31%</b>

2005 and 2004 statistical data in tons follow:

Specialty Steel Product Lines	Imports		U.S. Consumption		Twelve Month Import Penetration	
	2005	Increase/Decrease 2005 vs. 2004	2005	Increase/Decrease 05 vs. 04	2005	2004
Stainless Sheet/Strip	378,748	-13%	1,624,772	-10%	23%	24%
Stainless Plate	83,374	22%	253,462	-12%	33%	24%
Stainless Bar	124,008	48%	236,185	15%	53%	41%
Stainless Rod	41,538	-13%	66,095	-10%	63%	65%
Stainless Wire	43,654	4%	76,289	-7%	57%	51%
<b>Total Stainless Steel</b> (Sheet, Strip, Plate, Bar, Rod & Wire)	<b>671,322</b>	<b>-1%</b>	<b>2,256,803</b>	<b>-8%</b>	<b>30%</b>	<b>28%</b>
Alloy Tool Steel 2/	121,860	29%	NC	NC	NC	NC
Electrical Steel	82,595	-5%	406,473	2%	20%	22%
<b>Total Specialty</b>	<b>875,778</b>	<b>2%</b>	<b>2,764,237</b>	<b>-6%</b>	<b>32%</b>	<b>29%</b>

**NOTE:** Changes in import penetration are percentage point changes.

1/ Year-to-date 2006 Shipments of Wire are estimated based on January - March 2006 data.

2/ 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*