



SPECIALTY STEEL INDUSTRY OF NORTH AMERICA

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FOR IMMEDIATE RELEASE

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Specialty Metals Industry Group Releases Nine-Month Market Data

(Washington, D.C.)(December 7, 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 September 2006 compared to the same nine-month period in 2005. Following data presented by specialty steel product line, total stainless steel, and total specialty steel:

- Stainless steel sheet/strip: YTD September imports were 386,744 tons, a 35% increase over YTD September 2005; U.S. consumption was 1,408,693 tons, a 14% increase; nine-month import penetration was 27%, a four percentage point increase.
- Stainless steel plate: YTD September imports were 74,294 tons, a 16% increase over YTD September 2005; U.S. consumption was 254,575 tons, a 31% increase; nine-month import penetration was 29%, a four percentage point decrease.
- Stainless steel bar: YTD September imports were 84,302 tons, a 12% decrease over YTD September 2005; U.S. consumption was 170,020 tons, an 8% decrease; nine-month import penetration was 50%, a two percentage point decrease.
- Stainless steel rod: YTD September imports were 21,735 tons, a 36% decrease over YTD September 2005; U.S. consumption was 49,447 tons, a 7% decrease; nine-month import penetration was 44%, a nineteen percentage point decrease.
- Stainless steel wire: YTD September imports were 35,806 tons, a 8% increase over YTD September 2005; U.S. consumption was 64,825 tons, a 12% increase; nine-month import penetration was 55%, a three percentage point decrease.

Imports of total stainless steel (comprising the foregoing product lines) in the first nine months of 2006 were 602,881 tons, a 17% increase compared to the same 2005 period; U.S. consumption was 1,947,562 tons, a 13% increase; import penetration was 31%, a one percentage point increase.

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- Alloy tool steel: YTD September imports were 76,453 tons, a 16% decrease over YTD September 2005; U.S. consumption and import penetration were not calculable.

- Electrical steel: YTD September imports were 52,162 tons, a 21% decrease over YTD September 2005; U.S. consumption was 329,302 tons, a 7% increase; nine-month import penetration was 16%, a five percentage point decrease.

Imports of total specialty steel (comprising stainless steel, alloy tool steel and electrical steel) in the first nine months of 2006 were 731,496 tons, a 9% increase compared to the same 2005 period; U.S. consumption was 2,334,668 tons, an 11% increase; import penetration was 31%, a one percentage point decrease. 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; ATI Allegheny Ludlum Corporation, Pittsburgh, PA and ATI 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			Nine Month Import Penetration	
	Month Sep 2006	YTD Sep 2006	Increase/Decrease YTD 2006-05	Month Sep 2006	YTD Sep 2006	Increase/Decrease YTD 2006-05	YTD Sep 2006	YTD Sep 2005
Stainless Sheet/Strip	40,875	386,744	35%	157,643	1,408,693	14%	27%	23%
Stainless Plate	6,655	74,294	16%	26,937	254,575	31%	29%	33%
Stainless Bar	7,906	84,302	-12%	17,080	170,020	-8%	50%	52%
Stainless Rod	2,045	21,735	-36%	5,172	49,447	-7%	44%	63%
Stainless Wire 1/	3,768	35,806	8%	7,135	64,825	12%	55%	58%
Total Stainless Steel (Sheet, Strip, Plate, Bar, Rod & Wire)	61,250	602,881	17%	213,968	1,947,562	13%	31%	30%
Alloy Tool Steel 2/	6,565	76,453	-16%	NC	NC	NC	NC	NC
Electrical Steel	6,337	52,162	-21%	34,286	329,302	7%	16%	21%
Total Specialty	74,151	731,496	9%	252,621	2,334,668	11%	31%	32%

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%
Total Stainless Steel (Sheet, Strip, Plate, Bar, Rod & Wire)	671,322	-1%	2,256,803	-8%	30%	28%
Alloy Tool Steel 2/	121,860	29%	NC	NC	NC	NC
Electrical Steel	82,595	-5%	406,473	2%	20%	22%
Total Specialty	875,778	2%	2,764,237	-6%	32%	29%

NOTE: Changes in import penetration are percentage point changes.

1/ Year-to-date 2006 Shipments of Wire are estimated based on January - June 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