

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

1 Issuer's name <b>Carpenter Technology Corporation</b>		2 Issuer's employer identification number (EIN) <b>23-0458500</b>	
3 Name of contact for additional information <b>Jeffrey C. Vanino</b>	4 Telephone No. of contact <b>610-208-3556</b>	5 Email address of contact <b>jvanino@cartech.com</b>	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <b>P.O. Box 14662</b>		7 City, town, or post office, state, and Zip code of contact <b>Reading, PA 19612-4662</b>	
8 Date of action <b>February 29, 2012</b>		9 Classification and description <b>Common Stock</b>	
10 CUSIP number <b>N/A</b>	11 Serial number(s) <b>N/A</b>	12 Ticker symbol <b>CRS</b>	13 Account number(s) <b>N/A</b>

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On February 29, 2012, Carpenter Technology Corporation ("CTC") completed its acquisition of Latrobe Specialty Metals, Inc. ("Latrobe") through the merger of Hawke Acquisition Corp., a wholly owned subsidiary of CTC with and into Latrobe. Under the merger agreement, the shareholders of Latrobe received 8,100,000 common voting shares of CTC valued at \$415,530,000 based on the closing price of \$51.30 on February 29, 2012. The shareholders of Latrobe received no property other than the CTC stock in the merger transaction.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The merger qualifies as a tax-free reorganization under §368(a). Therefore, the aggregate tax basis of the CTC stock received is the same as the aggregate tax basis the Latrobe shareholders had in the Latrobe stock that was exchanged in the merger.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ The Series A shares of Latrobe were converted into CTC common shares on the basis of 0.1745828 Latrobe Series A shares for one CTC common share.  
The Series B shares of Latrobe were converted into CTC common shares on the basis of 0.1778593 Latrobe Series B shares for one CTC common share.  
The common shares of Latrobe were converted into CTC common shares on the basis of 0.1572610 Latrobe common shares for one CTC common share.

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ The merger qualified as a reorganization pursuant to sections §368(a) and §368(a)(2)(E) of the code .  
§358(a)(1) provides that the tax basis of property received in a reorganization is the same as that of the property exchanged.

18 Can any resulting loss be recognized? ▶ No loss will be recognized in the reorganization.

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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ Jeffrey C. Vanino

Date ▶ 4/13/2012

Print your name ▶ Jeffrey C. Vanino

Title ▶ Assistant Treasurer

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	