



Carpenter Technology Provides Update on Expected Third Quarter Earnings

April 10, 2014

WYOMISSING, Pa.--(BUSINESS WIRE)--Apr. 10, 2014-- Carpenter Technology Corporation (NYSE: CRS) today announced that it now anticipates earnings per diluted share to be in the range of \$0.54 to \$0.58 for its third fiscal quarter which ended March 31, 2014. These earnings include approximately \$0.10 per share of non-recurring, weather-related energy expense.

"The impact of weather-related expense was roughly double what we expected and communicated in January. In addition, while Specialty Alloys Operations realized double digit sequential quarterly volume growth, this gain was less than we expected in January," said William A. Wulfsohn, President and Chief Executive Officer.

"At the same time, we made great progress on multiple fronts. We successfully completed the primary phase of our Athens construction below budget and ahead of schedule. In fact, we have already shipped commercial product from the facility to the aerospace industry. Now, with the majority of this project complete, we expect to return to positive cash generation after the third quarter.

"Our strategic position with heavy concentration in the attractive and growing aerospace and energy markets helped drive a substantial increase in our backlog during the quarter. As our production lead times have increased in several key manufacturing areas, we expect this increased backlog to benefit our financial performance in fiscal year 2015, which begins in July."

As previously announced, Carpenter will report its third quarter results on Thursday, April 24, 2014 and host a conference call and webcast at 10:00 a.m., ET.

About Carpenter Technology

Carpenter produces and distributes premium alloys, including special alloys, titanium alloys and powder metals, as well as stainless steels, alloy steels and tool steels. Information about Carpenter can be found at www.cartech.com.

Forward-Looking Statements

This press release contains forward-looking statements, including statements about our future cash generation, growth and profitability, within the meaning of the Private Securities Litigation Act of 1995. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ from those projected, anticipated or implied. The most significant of these uncertainties are described in Carpenter's filings with the Securities and Exchange Commission, including its annual report on Form 10-K for the year ended June 30, 2013, 10Q for the quarters ended September 30, 2013, December 31, 2013 and the exhibits attached to those filings. They include but are not limited to: (1) the cyclical nature of the specialty materials business and certain end-use markets, including aerospace, defense, industrial, transportation, consumer, medical and energy, or other influences on Carpenter's business, such as new competitors, the consolidation of competitors, customers and suppliers, or the transfer of manufacturing capacity from the United States to foreign countries; (2) the ability of Carpenter to achieve cost savings, productivity improvements or process changes; (3) the ability to recoup increases in the cost of energy, raw materials, freight or other factors; (4) domestic and foreign excess manufacturing capacity for certain metals; (5) fluctuations in currency exchange rates; (6) the degree of success of government trade actions; (7) the valuation of the assets and liabilities in Carpenter's pension trusts and the accounting for pension plans; (8) possible labor disputes or work stoppages; (9) the potential that our customers may substitute alternate materials or adopt different manufacturing practices that replace or limit the suitability of our products; (10) the ability to successfully acquire and integrate acquisitions; (11) the availability of credit facilities to Carpenter, its customers or other members of the supply chain; (12) the ability to obtain energy or raw materials, especially from suppliers located in countries that may be subject to unstable political or economic conditions; (13) Carpenter's manufacturing processes are dependent upon highly specialized equipment located primarily in facilities in Reading, Athens and Latrobe, for which there may be limited alternatives if there are significant equipment failures or catastrophic events; and (14) Carpenter's future success depends on the continued service and availability of key personnel, including members of the executive management team, management, metallurgists and other skilled personnel, and the loss of these key personnel could affect Carpenter's ability to perform until suitable replacements are found. Any of these factors could have an adverse and/or fluctuating effect on Carpenter's results of operations. The forward-looking statements in this document are intended to be subject to the safe harbor protection provided by Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Carpenter undertakes no obligation to update or revise any forward-looking statements.

Source: Carpenter Technology Corporation

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