



CARPENTER TECHNOLOGY PROVIDES FIRST QUARTER FISCAL YEAR 2015 OUTLOOK

September 24, 2014



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WYOMISSING, Pa. - September 24, 2014 - Carpenter Technology Corporation (NYSE: CRS) announced today that cost, output, and mix issues at its Specialty Alloys Operations (SAO) locations in Reading and Latrobe, Pa. will negatively impact the company's first quarter (Q1) fiscal year 2015 (FY15) earnings.

In July and August, the Reading mill experienced unanticipated startup issues after scheduled summer shutdowns. In addition, earlier this month, the Latrobe location had an unplanned outage due to a cracked dome on its primary press. As a result, SAO experienced higher labor costs, increased maintenance/supply expenses and reduced output levels.

While Carpenter's facility in Athens, Al. continues to make progress in terms of increasing the number of customer approvals, it was only able to offset a limited portion of the lost Reading and Latrobe output. As a result, while customer demand remains high, SAO will sell less premium product in the quarter than anticipated, which will negatively impact overall segment mix.

William A. Wulfsohn, Carpenter's President and Chief Executive Officer, stated: "While we expected this to be a challenging quarter, it has been more difficult than anticipated. Given SAO's difficulties, Carpenter as a company had breakeven performance in July and August, which was well below our expectations. Thus far in September, we are seeing clear signs that SAO is back on track as sales volume, mix, and production costs show strong signs of improvement.

"Looking forward, Reading production is now at targeted levels and the Latrobe press is expected to be back online early in October. We need this capacity as we continue to see strength in our core markets. As of the end of August, SAO's overall backlog was 31 percent higher than on January 1 and up 8 percent since the start of our fiscal year on July 1. In addition, the backlog for our premium forged bar and billet product line was up approximately 32 percent this calendar year. Mill orders with Q2 FY15 ship dates have significantly higher profit per pound than orders expected to be shipped in Q1, due to a higher concentration of aerospace, defense, and energy products.

"Based upon our strong incoming order profile, positive trends in our core end markets and an expected return to previously demonstrated levels of operational performance, we are committed to achieving our targeted financial performance for the balance of our fiscal year and beyond."

About Carpenter Technology Corporation

Carpenter Technology Corporation, based in Wyomissing, Pa., produces and distributes specialty alloys, including stainless steels, titanium alloys and superalloys, and various engineered products. Information about Carpenter can be found at www.cartech.com.

Forward-Looking Statements

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on management's current expectations and are subject to risks, uncertainties and other factors 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, 2014, and the exhibits attached to that filing. They include, but are not limited to, statements regarding costs, output, mix, maintenance/supply expenses, customer approvals, customer demand, premium product sales, Reading production, the Latrobe press, capacity, core market strength, backlog, mill orders, profit per pound, concentration of aerospace, defense and energy products, SAO sales volume, mix and production costs, and targeted financial performance. Carpenter undertakes no obligation to update or revise any forward-looking statements.

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