



Carpenter Technology to Invest \$100 Million in Soft Magnetic Capabilities and New Equipment in Reading, PA Facility

March 26, 2018

Investment timing accelerated by tax savings associated with the Tax Cuts and Jobs Act

New mill will expand capability and increase capacity to support growth in Aerospace, Consumer Electronics and Electric Vehicles markets

U.S. Senator Pat Toomey (R-PA) on hand to recognize the effective partnership between public policy and U.S. business

PHILADELPHIA, March 26, 2018 (GLOBE NEWSWIRE) -- Carpenter Technology Corporation (NYSE:CRS) today announced it will invest \$100 million in soft magnetics capabilities and a new, precision strip hot rolling mill in its Reading, PA facility to help meet increasing demand for aerospace, consumer electronics and electric vehicle manufacturing customers.

"Carpenter's industry leading capabilities in the field of soft magnetic technology for the Aerospace and Defense end-use market has created a strong platform for growth over the next several years. In addition, the value proposition of our CarTech Hiperco® family of soft magnetic alloys provides customers enhanced electronic properties and significant design flexibility to improve performance," said Tony Thene, Carpenter Technology President and CEO. "This proven capability and product performance also allows us to differentiate ourselves in key consumer electronics applications as well as the rapidly evolving electric vehicle space."

"Given these significant market opportunities and the benefits associated with the recently enacted Tax Cuts and Jobs Act, we have decided to accelerate further investment into our business. With more than 90 percent of our products manufactured in the U.S., this type of capital investment will strengthen our foundation for long-term sustainable growth, provide good-paying jobs and increase value for shareholders for years to come. Today's announcement demonstrates the benefits of an effective partnership between public policy and U.S. business."

U.S. Senator Pat Toomey (R-PA) joined Carpenter President and CEO Tony Thene in making today's announcement.

"This is exactly the type of capital investment we envisioned as a direct benefit of the Tax Cuts and Jobs Act," said Senator Toomey. "It's vitally important for Pennsylvania families that local companies increase their operations at home and provide high-paying jobs with a stable future. I'm pleased Carpenter is making such a strong commitment to Pennsylvania."

Carpenter estimates the recent legislation will reduce cash taxes by approximately \$90-\$100 million over the next five years and will use the savings to increase its base level of capital investment in U.S. manufacturing operations over the same timeframe. The new mill announced today will increase overall capacity and offer greater flexibility in processing alloys for highly specialized soft magnetics applications in the aerospace, consumer electronics and electric vehicle markets. Soft magnetics are materials that can be easily magnetized and de-magnetized and are indispensable in modern electrical engineering and electronics applications. Sophisticated equipment, special processes, and highly controlled atmospheric conditions are required to produce soft magnetic alloys to meet extremely stringent specifications.

About Carpenter Technology

Carpenter Technology Corporation is a leading producer and distributor of premium specialty alloys, including titanium alloys, nickel and cobalt based superalloys, stainless steels, alloy steels and tool steels. Carpenter's high-performance materials and advanced process solutions are an integral part of critical applications used within the aerospace, transportation, medical and energy markets, among other markets. Building on its history of innovation, Carpenter's powder technology capabilities support a range of next-generation products and manufacturing techniques, including additive manufacturing and 3D Printing. Information about Carpenter can be found at www.carttech.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, 2017, the quarterly reports on Form 10-Q for the quarters ended September 30, 2017 and December 31, 2017, and the exhibits attached to those filings. They include, but are not limited to, statements regarding expected tax savings and expectations for improving market demand conditions for certain products. Carpenter undertakes no obligation to update or revise any forward-looking statements.

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