

CARPENTER TECHNOLOGY CORP

Form 424B3

June 27, 2011

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Filed Pursuant to Rule 424(b)(3)
Registration No. 333-175150

The information in this preliminary prospectus supplement is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus supplement is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to completion, dated June 27, 2011

Prospectus supplement

To Prospectus dated June 27, 2011

Carpenter Technology Corporation

\$

% Senior Notes due 20

We are offering \$ aggregate principal amount of our % Senior Notes due 20 (the notes). The notes will mature on , 20 . Interest will accrue from , 20 , and the first interest payment date will be , 20 . We may redeem the notes at our option prior to maturity, in whole or in part, at any time at the redemption price described in this prospectus supplement under Description of the notes Optional redemption. If we experience a change of control repurchase event, we may be required to offer to purchase the notes from holders.

The notes will be our senior unsecured indebtedness, ranking equally in right of payment with all of our existing and future senior unsecured indebtedness and senior to our future subordinated indebtedness. The notes will be effectively subordinated to our existing and future secured indebtedness to the extent of the value of the assets securing that indebtedness and to the existing and future indebtedness and other liabilities of our subsidiaries.

You should read this prospectus supplement and the accompanying prospectus carefully before you invest in our notes. Investing in our notes involves a high degree of risk. See Risk factors beginning on page S-10 for a discussion of certain risks that you should consider in connection with an investment in the notes.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these notes or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

Price to	Underwriting	Proceeds to Carpenter Technology
Public	Discounts	(before expenses) ¹

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Per Note		%		%		%
Total	\$		\$		\$	

¹ Plus accrued interest, if any from _____, 2011.
The notes will not be listed on any securities exchange or automated quotation system.

We expect that delivery of the notes will be made to investors in book-entry form through The Depository Trust Company for the accounts of its participants, including Clearstream Banking, *société anonyme*, and Euroclear Banking, S.A./N.V., on or about _____, 2011.

Joint Book-Running Managers

BofA Merrill Lynch

J.P. Morgan

The date of this prospectus supplement is June _____, 2011.

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About this prospectus supplement

This document is in two parts. The first part is this prospectus supplement, which describes certain matters relating to us and this offering. The second part, the accompanying prospectus dated June 27, 2011, gives more general information about debt securities we may offer from time to time, some of which may not apply to the notes offered by this prospectus supplement and the accompanying prospectus. For information about the notes, see [Description of the notes](#) in this prospectus supplement and [Description of the debt securities](#) in the accompanying prospectus.

We are responsible for the information contained and incorporated by reference in this prospectus supplement and the accompanying prospectus and in any related free-writing prospectus we prepare or authorize. We have not authorized anyone to give you any other information, and we take no responsibility for any other information that others may give you. We are not, and the underwriters are not, making an offer of these notes in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained in this prospectus supplement, the accompanying prospectus or the documents incorporated by reference in this prospectus supplement or the accompanying prospectus is accurate as of any date other than their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

Before you invest in the notes, you should carefully read this prospectus supplement and the accompanying prospectus. You should also read the documents we have referred you to under [Where you can find more information](#) for information about us. The shelf registration statement described in the accompanying prospectus, including the exhibits thereto, can be read at the Securities and Exchange Commission's (the "SEC") web site or at the SEC's Public Reference Room as described under [Where you can find more information](#).

If the information set forth in this prospectus supplement varies in any way from the information set forth in the accompanying prospectus, you should rely on the information contained in this prospectus supplement. If the information set forth in this prospectus supplement varies in any way from the information set forth in a document we have incorporated by reference, you should rely on the information in the more recent document.

Unless indicated otherwise, or the context otherwise requires, references in this document to [Carpenter Technology](#), [the company](#), [we](#), [us](#) and [our](#) are to Carpenter Technology Corporation and its consolidated subsidiaries, and references to [dollars](#) and [\\$](#) are to United States dollars.

Where you can find more information

Carpenter Technology files annual, quarterly and current reports, proxy statements and other information with the SEC. You may obtain such SEC filings from the SEC's website at <http://www.sec.gov>. You can also read and copy these materials at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You can obtain further information about the operation of the SEC's Public Reference Room by calling the SEC at 1-800-SEC-0330. You can also obtain information about Carpenter Technology at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

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As permitted by SEC rules, this prospectus supplement and the accompanying prospectus do not contain all of the information we have included in the registration statement and the accompanying exhibits and schedules we file with the SEC. You may refer to the registration statement, exhibits and schedules for more information about us and the debt securities. The registration statement, exhibits and schedules are available through the SEC's website or at its public reference room.

Incorporation by reference

In this prospectus supplement and the accompanying prospectus, we incorporate by reference certain information that we file with the SEC, which means that we can disclose important information to you by referring you to that information. The information we incorporate by reference is an important part of this prospectus supplement and the accompanying prospectus, and later information that we file with the SEC will automatically update and supersede this information. The following documents (other than any portion of such filings that are furnished under applicable SEC rules rather than filed) have been filed by us with the SEC and are incorporated by reference into this prospectus supplement and the accompanying prospectus:

Annual report on Form 10-K for the year ended June 30, 2010, including portions of the proxy statement for the 2010 annual meeting of stockholders to the extent specifically incorporated by reference therein (collectively, the 2010 Form 10-K),

Quarterly report on Form 10-Q for the quarters ended September 30, 2010, December 31, 2010 and March 31, 2011 (collectively, the 2011 Form 10-Qs), and

Current reports on Form 8-K filed on July 2, 2010, July 22, 2010, August 4, 2010, August 23, 2010, September 3, 2010 (two), October 13, 2010, October 19, 2010, January 4, 2011, April 21, 2011 and June 21, 2011 (two).

All documents and reports that we file with the SEC (other than any portion of such filings that are furnished under applicable SEC rules rather than filed) under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 (the Exchange Act) from the date of this prospectus supplement until the completion of the offering under this prospectus supplement shall be deemed to be incorporated in this prospectus supplement and the accompanying prospectus by reference. The information contained on or accessible through our website (<http://www.carttech.com>) is not incorporated into this prospectus supplement or the accompanying prospectus.

You may request a copy of these filings, other than an exhibit to these filings unless we have specifically included or incorporated that exhibit by reference into the filing, from the SEC as described under "Where you can find more information" or, at no cost, by writing or telephoning Carpenter Technology at the following address:

Carpenter Technology Corporation

Attn: Investor Relations

P.O. Box 14662

Reading, Pennsylvania 19610

Telephone: (610) 208-2000

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You should rely only on the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus, any free writing prospectus that we authorize and any pricing supplement. We have not authorized any person, including any salesman or broker, to provide information other than that provided in this prospectus supplement, the accompanying prospectus, any free writing prospectus that we authorize or any pricing supplement. We do not take responsibility for, and can provide no assurance as to the reliability of, any information that others may give you. We are not making an offer of the debt securities in any jurisdiction where the offer is not permitted. You should assume that the information in this prospectus supplement, the accompanying prospectus, any free writing prospectus that we authorize and any pricing supplement is accurate only as of the date on its cover page and that any information we have incorporated by reference is accurate only as of the date of such document incorporated by reference.

Any statement contained in a document incorporated or deemed to be incorporated by reference into this prospectus or the accompanying prospectus will be deemed to be modified or superseded for purposes of this prospectus and the accompanying prospectus to the extent that a statement contained in this prospectus, the accompanying prospectus, any prospectus supplement, or any other subsequently filed document that is deemed to be incorporated by reference into this prospectus supplement or the accompanying prospectus modifies or supersedes the statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement.

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Statements regarding forward-looking information

This prospectus supplement and the accompanying prospectus contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and Section 27A of the Securities Act. These statements, which represent our expectations or beliefs concerning various future events, include statements concerning future revenues, earnings and liquidity associated with continued growth in various market segments and cost reductions expected from various initiatives. These statements may be made directly in this prospectus supplement, the accompanying prospectus or documents incorporated by reference. Words such as anticipates, estimates, expects, projects, intends, plans, believes and words and terms of similar substance used in connection with any discussion of future operating or financial performance identify forward-looking statements. All of these forward-looking statements are based on management's current expectations and beliefs about future events. As with any projection or forecast, they are susceptible to uncertainty and changes in circumstances.

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 include but are not limited to:

the cyclical nature of our business and certain end-use markets, including aerospace, industrial, automotive, consumer, medical and energy, or other influences on our 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;

our ability to achieve cost savings, productivity improvements or process changes;

the volatility of, and our ability to recoup increases in, the cost of energy, raw materials, freight or other factors;

domestic and foreign excess manufacturing capacity for certain metals;

fluctuations in currency exchange rates;

the degree of success of government trade actions;

the valuation of the assets and liabilities in our pension trusts and the accounting for pension plans;

possible labor disputes or work stoppages;

the potential that our customers may substitute alternate materials or adopt different manufacturing practices that replace or limit the suitability of our products;

the ability to successfully acquire and integrate acquisitions;

the availability and costs of financing and credit facilities to us, our customers or other members of the supply chain;

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the ability to obtain energy or raw materials, especially from suppliers located in countries that may be subject to unstable political or economic conditions;

our manufacturing processes are dependent upon highly specialized equipment located primarily in one facility in Reading, Pennsylvania and for which there may be limited alternatives if there are significant equipment failures or catastrophic events;

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our future success depends on the continued service and availability of key personnel, including members of our executive management team, management, metallurgists and other skilled personnel and the loss of these key personnel could affect our ability to perform until suitable replacements are found;

our expectations with respect to the synergies, costs and other anticipated financial impacts of our pending merger with Latrobe Specialty Metals, Inc., or Latrobe, could differ from actual synergies realized, costs incurred and financial impacts experienced as a result of the transaction; and

the possibility that our pending merger with Latrobe is delayed or does not close, including, without limitation, due to the failure to receive any required regulatory approvals or the failure to satisfy any closing condition.

Any of these could have adverse and/or fluctuating effect on our results of operations. For additional information about factors that could cause actual results to differ materially from those described in the forward-looking statements, please see the accompanying prospectus and the documents that we have filed with the SEC, including our quarterly reports on Form 10-Q, our most recent annual report on Form 10-K, our current reports on Form 8-K and our proxy statement.

All subsequent forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. We are not under any obligation to, and expressly disclaim any obligation to, update or alter any forward-looking statements whether as a result of such changes, new information, subsequent events or otherwise.

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Summary

This summary contains basic information about us and the offering. Because it is a summary, it does not contain all of the information that you should consider before investing in the notes. You should read this entire prospectus supplement and the accompanying prospectus carefully, including the section entitled Risk factors, our financial statements and the notes thereto incorporated by reference into this prospectus supplement and the accompanying prospectus, and other documents incorporated by reference into this prospectus supplement and the accompanying prospectus, before making an investment decision.

The company

We develop, manufacture and distribute cast/wrought and powder metal stainless steels and special alloys including high temperature alloys, controlled expansion alloys, ultra high strength alloys, implantable alloys, tool and die steels and other specialty metals, as well as cast/wrought titanium alloys. We provide material solutions to the ever-changing needs of the aerospace, industrial, energy, medical, consumer products and automotive industries.

We are organized around three core business segments:

Our Advanced Metals Operations (AMO) segment includes the manufacturing and distribution of high temperature and high strength metal alloys, stainless steels, and titanium in the form of small bars and rods, wire, narrow strip and powder. Products in this segment typically go through more finishing operations, such as rolling, turning, grinding, drawing, and atomization, than products in our PAO segment (as described below). Also, sales in the AMO segment are spread across many end-use markets, including the aerospace, industrial, consumer, automotive, and medical industries. AMO products are sold under the Carpenter, Dynamet, Talley, Carpenter Powder Products and Aceros Fortuna brand names.

Our Premium Alloys Operations (PAO) segment includes the manufacturing and distribution of high temperature and high strength metal alloys and stainless steels in the form of ingots, billets, large bars and hollows. Also, the PAO segment includes conversion processing of metal for other specialty metals companies. A significant portion of PAO sales are to customers in the aerospace and energy industries. Much of PAO sales are to forging companies that further shape, mill, and finish the metals into more specific dimensions. All such sales are made under the Carpenter brand name.

Our Emerging Ventures segment currently includes the operations of Amega West Services, a manufacturer and service provider of high-precision components for measurement while drilling (MWD) and logging while drilling (LWD), drill collars, stabilizers and other down-hole tools used for directional drilling. MWD and LWD technology is used to ensure critical data is obtained and transmitted to the surface to monitor progress of the well. The net sales of Amega West are to customers in the energy end-use market.

Our principal executive offices are located at P.O. Box 14662, Reading, Pennsylvania 19610, Telephone (610) 208-2000.

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Recent developments

Pending merger with Latrobe Specialty Metals, Inc.

On June 20, 2011, we entered into an agreement and plan of merger with Latrobe Specialty Metals, Inc., a Delaware corporation (*Latrobe*), Watermill Toolrock Partners, L.P., a Delaware limited partnership (*Watermill*), solely as the representative of the Watermill equityholders, and HHEP-Latrobe, L.P., a Delaware limited partnership (*Hicks*), solely as the representative of the Hicks equityholders (the *Merger Agreement*). Pursuant to the Merger Agreement, our wholly-owned subsidiary will, subject to the satisfaction or waiver of the conditions therein, merge with and into Latrobe, and Latrobe will become a wholly-owned subsidiary of ours (the *Merger*).

Latrobe

Latrobe is one of the largest manufacturers and a global distributor of high-performance specialty metals and alloys. It serves a diversified group of end markets, including the commercial aerospace, defense, oil and gas exploration and production, power generation and industrial markets. It develops, produces and markets over 350 grades of specialty metals and alloys that are used in demanding applications such as the manufacture of: (i) landing gear, helicopter shafts, jet engine fasteners and jet engine bearings for the commercial aerospace and defense markets; (ii) downhole logging tools, completion tubes and valves for the oil and gas exploration and production market; (iii) turbine bolts, shafts, pins and blades for the power generation market; and (iv) metal cutting, punching, sawing and stamping dies for the industrial market. Latrobe produces materials that possess specific metallurgical properties, including high-strength, corrosion resistance, hardness, fatigue resistance, fracture toughness and temperature resistance.

For its fiscal year ended September 30, 2010, Latrobe generated net sales of approximately \$309.2 million, income from operations of approximately \$28.6 million and net income of approximately \$7.3 million. For the six month period ended March 31, 2011, Latrobe generated net sales of approximately \$202.7 million, income from operations of approximately \$24.8 million and net income of approximately \$10.4 million. For the six month period ended March 31, 2010, Latrobe generated net sales of approximately \$132.9 million, income from operations of approximately \$1.3 million and net loss of approximately \$3.6 million.

Terms of the merger

Under the Merger Agreement, we will issue 8.1 million shares of our common stock to Latrobe's stockholders, subject to certain adjustments for working capital and other items. We will assume all third party indebtedness incurred by Latrobe, and pay all fees and expenses incurred by Latrobe prior to the Merger in connection with prior proposed securities offerings; *provided, however*, if the amount of Latrobe's indebtedness assumed by us exceeds \$160 million, or the amount of Latrobe's prior securities offering related expenses paid by us exceeds \$4 million, such excess amounts shall reduce the number of shares of our common stock to be issued to Latrobe's stockholders. In addition, we will pay all transaction related expenses of Latrobe; *provided, however*, that any such amounts in excess of \$10 million may reduce the number of shares of our common stock to be issued to Latrobe's stockholders.

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Under the Merger Agreement, a portion of the shares to be issued as merger consideration will be placed into escrow to secure Latrobe's indemnification obligations and to account for pension funding issues of Latrobe. An indemnity escrow equal to \$50 million worth of our common stock will be created to cover general indemnification claims including, without limitation, (i) misrepresentations and breaches of Latrobe's warranties and (ii) breaches or nonperformance of any of Latrobe's covenants or agreements. Assuming no claims are asserted, half of the indemnity escrow will be released on the first anniversary of the closing and the remaining shares will be released after 24 months. An additional 300,000 shares will be placed into a pension escrow account in connection with Latrobe's pension funding issues. The shares of our common stock will be released from the pension escrow over a period of 5 years following closing based on the level of a particular fixed income index over such five-year period.

The Merger Agreement contains customary representations, warranties and covenants by Latrobe and us. Latrobe has agreed, among other things, (i) to conduct its and its subsidiaries' businesses in the ordinary course consistent with past customs and practice; (ii) to obtain requisite stockholder approval; and (iii) not to solicit alternative transactions. Each of the parties to the Merger Agreement covenants to use commercially reasonable efforts to cause the Merger to be consummated.

The Merger Agreement has been approved by the respective boards of directors of us and Latrobe, and the consummation of the transactions contemplated thereby is subject to certain conditions, such as receipt of applicable antitrust approvals (including under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended).

We have agreed that upon consummation of the Merger and until our 2014 annual meeting of stockholders, certain of Latrobe's stockholders will designate two persons who will be appointed to our board of directors. Certain of Latrobe's stockholders (including those that have the right to designate directors to our board of directors) will, upon consummation of the Merger, agree (i) that during the time that such Latrobe stockholders may appoint designees to our board of directors (or shorter in the event such designees resign from our board of directors) they will vote the shares of our common stock in favor of our nominees for directors and not contrary to the recommendations of our board of directors on other matters, and (ii) for a period of five years following the consummation of the Merger they will not acquire any additional shares of our common stock or, with limited exceptions, sell their shares of our common stock where the result of such sale would be for a third party to own more than 5% of our outstanding common stock. We have also agreed to grant limited registration rights in favor of such Latrobe stockholders.

The Merger Agreement may be terminated by Latrobe or us in the event the consummation of the Merger has not occurred by September 30, 2011 ("Termination Date") and the cause for the consummation not occurring is not the terminating party; provided, however, if the Merger has not been consummated solely because the applicable antitrust approvals have not been received, and all other conditions to consummation of the Merger have been satisfied or waived, then the "Termination Date" shall be January 16, 2012. Latrobe also may terminate the Merger Agreement at any time after October 31, 2011 because the applicable antitrust approvals have not been received, although we may override such termination. If the override right is exercised and the Merger is not consummated by January 16, 2012, we shall be required to pay Latrobe a \$5 million fee. In addition, if the Merger Agreement is terminated by Latrobe because applicable antitrust approvals have not, or cannot, be obtained, we agreed to reimburse Latrobe for its

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reasonable out-of-pocket costs related to seeking the applicable antitrust approvals. We may terminate the Merger Agreement if certain due diligence information to be provided within ten business days after the execution of the Merger Agreement leads us to believe that Latrobe will not be able to meet certain closing conditions.

A copy of the Merger Agreement is available in our current report on Form 8-K which we filed with the SEC on June 21, 2011 and which is incorporated by reference into this prospectus. See [Where You Can Find More Information](#) and [Incorporation by Reference](#).

New credit facility

On June 21, 2011, we entered into a credit agreement for a new revolving credit facility (the [New Credit Agreement](#)) with Bank of America, N.A., as administrative agent and lender, JPMorgan Chase Bank, N.A., as lender, and Merrill Lynch, Pierce, Fenner & Smith Incorporated and J.P. Morgan Securities LLC, as joint lead arrangers. The New Credit Agreement replaces our existing Credit Agreement, dated as of November 24, 2009 and contains a five-year multi-currency revolving credit facility in an amount of \$350 million, which under certain conditions could be increased to \$500 million. The New Credit Agreement also contains a letter of credit and a swing line facility. We are able to borrow under the New Credit Agreement for working capital, capital expenditures and other general corporate purposes. Borrowings under the New Credit Agreement will bear interest, at our election, at either the base rate or the LIBOR rate in effect at the time plus, in each case, an applicable margin based on our debt rating. We have the right to voluntarily prepay and reborrow loans and to terminate or reduce the commitments under the New Credit Agreement.

We are subject to certain financial and restrictive covenants, including, among other things, a minimum interest coverage ratio (starting at 3.25 to 1.0 for the period through September 30, 2011, and increasing to 3.5 to 1.0 thereafter). The interest coverage ratio is defined in the New Credit Agreement as, for any period, the ratio of consolidated earnings before interest, taxes, depreciation and amortization to consolidated interest expense for such period. We are also required to maintain a debt to capital ratio of not greater than 55%. The debt to capital ratio is defined in the New Credit Agreement as the ratio of consolidated indebtedness to consolidated capitalization.

A more complete summary of the terms of the New Credit Agreement and a copy of the New Credit Agreement are available in our current report on Form 8-K which we filed with the SEC on June 21, 2011 and which is incorporated by reference into this prospectus. See [Where You Can Find More Information](#) and [Incorporation by Reference](#).

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Ranking	The notes will be our senior unsecured indebtedness, ranking equally in right of payment with all of our existing and future senior unsecured indebtedness and senior to our future subordinated indebtedness. The notes will be effectively subordinated to our existing and future secured indebtedness to the extent of the value of the assets securing that indebtedness and to the existing and future indebtedness and other liabilities of our subsidiaries.
Use of Proceeds	We estimate that we will receive net proceeds from this offering of \$, after deducting estimated underwriting discounts and our estimated offering expenses. We intend to use the net proceeds we receive from this offering to repay our \$100 million in principal amount of our medium term notes, Series C at 7.625% due August 2011. We intend to use the remaining net proceeds from this offering for general corporate purposes, which may include additions to working capital, capital expenditures, repayment of debt, the financing of acquisitions, joint ventures and other business combination opportunities or stock repurchases. We do not intend to use any proceeds from this offering to fund our Merger with Latrobe.
Book-Entry Form	The notes will be issued in book-entry form and will be represented by permanent global certificates deposited with, or on behalf of, DTC and registered in the name of a nominee of DTC. Investors may elect to hold interests in the notes through DTC, Clearstream or Euroclear if they are participants of such systems, or indirectly through organizations which are participants in such systems. Beneficial interests in any of the notes will be shown on, and transfers will be effected only through, records maintained by DTC or its nominee, and any such interests may not be exchanged for certificated securities, except in limited circumstances.
Absence of Public Market for the Notes	The notes are new securities, and there is currently no established market for the notes. Accordingly, we cannot assure you as to the development or liquidity of any market for the notes. The underwriters have advised us that they currently intend to make a market in the notes. However, they are not obligated to do so, and they may discontinue any market making with respect to the notes without notice.
Material U.S. Federal Income Tax Considerations	Holders are urged to consult their own tax advisors with respect to the federal, state, local and foreign tax consequences of purchasing, owning and disposing of the notes. See Certain U.S. federal income tax considerations.
Trustee	U.S. Bank National Association.

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Risk Factors

In evaluating an investment in the notes, prospective investors should carefully consider, along with the other information in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference, the information set forth under **Risk factors** on page S-10 and **Risk Factors** in the accompanying prospectus and our 2010 Form 10-K and all subsequent filings under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act for risks involved with an investment in the notes.

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We derived the summary consolidated financial data shown below as of June 30, 2010, 2009 and 2008 and for each of the years then ended from our audited consolidated financial statements and for the nine-month periods ended March 31, 2011 and 2010 from our unaudited consolidated financial statements. The unaudited financial statements from which we derived this data were prepared on the same basis as the audited consolidated financial data and include all adjustments, consisting only of normal recurring adjustments, necessary to present fairly our results of operations and financial condition as of the periods presented. The results of operations for interim periods are not necessarily indicative of the operating results for any future period. You should read the following financial information in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the related notes incorporated by reference in this prospectus supplement and the accompanying prospectus.

	Nine months ended		Fiscal year ended June 30,		
	2011	March 31, 2010	2010	2009(1)	2008(2)
(dollars in millions)	(unaudited)		(audited)		
Statement of Income Data:					
Net sales	\$ 1,191.5	\$ 834.4	\$ 1,198.6	\$ 1,362.3	\$ 1,953.5
Operating income	\$ 61.4	\$ 1.5	\$ 11.7	\$ 64.0	\$ 293.6
Income (loss) from continuing operations	\$ 45.8	\$ (3.8)	\$ 2.1	\$ 47.9	\$ 200.5
Income from discontinued operations, net	\$	\$	\$	\$	\$ 77.2
Net income (loss)	\$ 45.8	\$ (3.8)	\$ 2.1	\$ 47.9	\$ 277.7
Balance Sheet Data:					
Cash and cash equivalents	\$ 184.1	\$ 243.4	\$ 265.4	\$ 340.1	\$ 403.3
Marketable securities, current	\$ 28.0	\$ 126.3	\$ 105.2	\$ 15.0	\$ 5.3
Property, plant and equipment, net	\$ 634.8	\$ 617.8	\$ 617.5	\$ 634.1	\$ 583.8
Total assets	\$ 1,706.4	\$ 1,594.2	\$ 1,583.2	\$ 1,497.4	\$ 1,712.2
Long-term obligations, net of current portion (including convertible preferred stock)	\$ 158.5	\$ 258.9	\$ 259.6	\$ 258.6	\$ 276.7
Total Liabilities	\$ 1,044.9	\$ 950.6	\$ 1,009.8	\$ 880.4	\$ 873.0
Total Equity	\$ 661.5	\$ 643.6	\$ 573.4	\$ 617.0	\$ 839.2
Cash Flow Information Data:					
Cash flow provided by (used in) operating activities	\$ (53.0)	\$ 67.1	\$ 115.2	\$ 145.5	\$ 218.5
Cash flow provided by (used in) investing activities	\$ (5.2)	\$ (137.1)	\$ (132.9)	\$ (107.5)	\$ 381.5
Cash flow used in financing activities	\$ (26.7)	\$ (25.6)	\$ (53.5)	\$ (100.5)	\$ (487.3)
Other Data:					
EBITDA(3)	\$ 154.9	\$ 91.4	\$ 132.1	\$ 137.3	\$ 363.7

- (1) Fiscal year 2009 included \$9.4 million of restructuring charges related to the shutdown and closure of our U.K. metal strip manufacturing operations. See Restructuring Charges footnote in the Notes to the Consolidated Financial Statements included in Item 8 Financial Statements and Supplementary Data of our 2010 Form 10-K.

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- (2) Fiscal year 2008 included a \$109.6 million pre-tax gain on the sale of our ceramics and metals shapes businesses. The results of operations of the divested business units prior to the divestitures are presented as discontinued operations. See Divestitures and Acquisition footnote in the Notes to the Consolidated Financial Statements included in Item 8 Financial Statements and Supplementary Data of our 2010 Form 10-K.
- (3) EBITDA represents income before interest, taxes, depreciation and amortization, reserve adjustments for Boarhead Farms, and non-cash net pension expenses. EBITDA is not a measure of financial performance under generally accepted accounting principles. We do not calculate EBITDA in the same manner as other companies and, accordingly, our measure of EBITDA is not necessarily comparable to similarly titled measures of other companies and may not be an appropriate measure of performance relative to other companies. We have presented EBITDA in this prospectus supplement solely as a supplemental disclosure because we believe it allows for a more complete analysis of our results of operations. We believe that EBITDA is useful to investors because EBITDA is commonly used to analyze companies on the basis of operating performance, leverage and liquidity. Furthermore, analogous measures are used by industry analysts to evaluate operating performance. EBITDA is not intended to be a measure of free cash flow for management's discretionary use, as it does not consider certain cash requirements such as interest payments, tax payments and capital expenditures. EBITDA is not intended to represent, and should not be considered more meaningful than, or as an alternative to, a measure of operating performance as determined in accordance with generally accepted accounting principles. This definition of EBITDA differs from the amounts calculated under the definition of EBITDA contained in our credit facilities. We do not intend to provide EBITDA information for future periods in earnings press releases, filings with the SEC or in response to inquiries. EBITDA is calculated as follows:

(dollars in millions)	2011	Nine months ended March 31, 2010	Fiscal year ended June 30,
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