



# ATI Announces Sale of Industrial Forging Operations

06/03/19

*Intensifies Focus on Key Aerospace & Defense Markets*

PITTSBURGH--(BUSINESS WIRE)-- Allegheny Technologies Incorporated (NYSE: ATI) today announced that it has agreed to sell two non-core forging facilities to Wynnchurch Capital, LLC for \$37 million in cash. Wynnchurch Capital, LLC, based in Chicago, IL, is a leading middle-market private equity investment firm that invests in middle market companies in the United States and Canada which possess the potential for substantial growth and operational improvement. The transaction will close during the second quarter 2019.

These facilities, located in Portland, IN and Lebanon, KY, are part of ATI's High Performance Materials & Components (HPMC) segment. They use primarily traditional forging methods to produce carbon steel forged products for use in the oil & gas, transportation and construction & mining industries.

"This transaction is consistent with our ongoing efforts to actively evaluate our business portfolio to ensure we're focused on key growth opportunities for HPMC in the aerospace & defense end-markets, specifically in nickel and titanium products as well as in advanced iso-thermal and hot-die forgings," said John Sims, Executive Vice President, HPMC segment. "With the sale to Wynnchurch Capital, these solidly-performing, independent operations will become part of a company with a proven track record of investing in, growing and successfully operating industrial manufacturing businesses."

The sale proceeds from this transaction will be used to further ATI's capital deployment priorities, principally focused on reducing corporate debt levels and funding pension obligations. With \$10 million of goodwill allocated to these operations from ATI's Forged Products reporting unit, ATI's second quarter results will include an approximate \$7 million loss on this transaction. Sales from these two forging facilities in 2018 were \$86 million.

## ***Creating Value Thru Relentless Innovation™***

ATI is a global manufacturer of technically advanced specialty materials and complex components. ATI revenue was \$4.1 billion for the twelve-month period ended March 31, 2019. Our largest markets are aerospace & defense, particularly jet engines. We also have a strong presence in the oil & gas, electrical energy, medical, automotive, and other industrial markets. ATI is a market leader in manufacturing differentiated specialty alloys and forgings that require our unique manufacturing and precision machining capabilities and our innovative new product development competence. We are a leader in producing powders for use in next-generation jet engine forgings and 3D-printed aerospace products. See more at our website [ATImetals.com](http://ATImetals.com).

View source version on businesswire.com: <https://www.businesswire.com/news/home/20190603005432/en/>

### **Investor Contact:**

Scott A. Minder

412-395-2720

[scott.minder@atimetals.com](mailto:scott.minder@atimetals.com)

### **Media Contact:**

Natalie Gillespie

412-394-2850

[natalie.gillespie@atimetals.com](mailto:natalie.gillespie@atimetals.com)

[www.ATImetals.com](http://www.ATImetals.com)

Source: Allegheny Technologies Incorporated

