

PRESS RELEASE

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Contact: Diane Rothaermel

2008 ANNUAL FORGING INDUSTRY SALES RELEASED BY FORGING INDUSTRY ASSOCIATION

Orders and shipments continue breaking records

CLEVELAND, OHIO -- Final revised figures showing 2008 sales of metal forgings produced by independent (custom) forging plants in the United States, Canada and Mexico have been released by Forging Industry Association (FIA). Figures are broken out by the three major forging processes.

CUSTOM FORGING INDUSTRY SALES IN NORTH AMERICA ⁽¹⁾ *(encompassing all metals forged in millions of U.S. \$)*

<u>Year</u>	<u>Impression Die</u>	<u>Open Die</u>	<u>Seamless Rings</u>
2008	6084.8	2035.0	1785.8
2007	6149.8	1786.9	1450.1
2006	5870.3	1520.7	1220.1
2005	5641.1	1226.4	861.0
2004	4907.4	901.5	607.4
2003	3901.8	647.1	522.2
2002	4041.2	682.2	532.9
2001	4460.2	763.1	662.6
2000	4694.7	745.1	606.6
1999	4637.5	725.2	607.7
1998	4842.9	874.9	751.0
1997	4584.8	898.3	671.7

CUSTOM IMPRESSION DIE FORGING

Total industry shipments for the custom impression die forging industry at \$6,084,809,000 in 2008, dropped minimally, by 1% below the \$6,149,843,000 in 2007. Bookings of impression die forging orders during 2008 decreased to \$6,125,514,000, 6% below 2007's figure of \$6,524,773,000. The aerospace sector (including engines, aircraft parts, auxiliary equipment and guided missiles and space vehicles) made up the largest percentage of impression die industry sales at 33.1% up from 26.7% in 2007. The automotive sector (passenger cars/light trucks/SUV's and parts) with 23.7%, took second place down from the 30.3% in both 2007 and 2006.

CUSTOM OPEN DIE FORGING

Total industry shipments by the custom open die forging industry in 2008 were up with a record \$2,034,983,000, 14% above 2007's already high volume of \$1,786,931,000. Bookings of open die forging orders during 2008 also increased to \$1,981,979,000, 13% above the \$1,759,741,000 in 2007. In 2008, construction, mining and materials handling equipment remained the leading open die market segment with 23.1% of total industry sales, up from 19.3% in 2007. General industrial machinery and equipment (which includes pumps, bearings, air/gas compressors, speed changers, drives and gears and mechanical power transmission equipment) remained in second place with 11.0% of market share, up from 10.2% in 2007.

CUSTOM SEAMLESS ROLLED RING FORGING

Total 2008 industry shipments for the custom seamless rolled ring forging industry increased to \$1,785,788,000, 23% above 2007's volume of \$1,450,123,000. Bookings of seamless rolled ring forgings for 2008 increased to \$1,983,294,000, 29% above 2007's \$1,537,538,000. Aerospace engines and engine parts accounted for the majority of seamless rolled rings produced, with a market share of 49.1% in 2008 vs. 48.2% in 2007. Ball & roller bearings rose to second place with 7.3% market share, up from the 6.4% reported in 2007.

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1. *NOTE: FIA's Annual Report of industry sales is based on information compiled from companies believed to have produced an average of 92% of 2008's total custom forging sales. The report is statistically treated to represent 100% of industry shipments in the custom forging industry. Figures quoted in this release do not include forgings produced for captive use or standard catalog products. Components produced via the cold forging process are also excluded from this report.*

FORGING INDUSTRY ASSOCIATION, with headquarters in Cleveland, Ohio, is comprised of 113 North American producers of forged metal components, accounting for about 73% of the custom forging volume produced annually. Forged metal parts are pressed, pounded or rolled into countless configurations, and used for critical applications in the aerospace, automotive, construction, materials handling, ordnance, hand tool, agricultural and industrial equipment industries -- to name a few! In addition, over 89 firms supplying equipment, materials, services or supplies to the forging industry are also members of FIA. The Association, with its predecessor organizations, has served the metal forging industry since 1913.

For more information on metal forging processes, the forging industry or FIA member companies, visit the forging industry website at www.forging.org.