

PRESS RELEASE

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Contact: Diane Rothaermel

2007 ANNUAL FORGING INDUSTRY SALES RELEASED BY FORGING INDUSTRY ASSOCIATION

Orders and shipments continue breaking records

CLEVELAND, OHIO -- Final revised figures showing 2007 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> |
|-------------|-----------------------|-----------------|-----------------------|
| 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 increased to \$6,149,843,000 in 2007, 5% above the \$5,870,250,000 in 2006. Bookings of impression die forging orders during 2007 increased to \$6,524,773,000, 3% higher than the 2006 figure of \$6,351,262,000. The automotive sector (passenger cars/light trucks/SUV's and parts) made up the largest percentage of impression die industry sales at 30.3% share of the total custom impression die market, same as 2006. Aerospace applications (including engines, aircraft parts, auxiliary equipment and guided missiles and space vehicles) composed the second largest segment at 26.6%, up from 25.4% in 2006.

CUSTOM OPEN DIE FORGING

Total industry shipments by the custom open die forging industry in 2007 jumped to \$1,786,931,000, 18% above 2006's already high volume of \$1,520,656,000. Bookings of open die forging orders during 2007 also increased to \$1,759,741,000, 12% above the \$1,576,136,000 in 2006. In 2007, construction, mining and materials handling equipment remained the leading open die market segment with 19.3% of total industry sales, up from 18.4% in 2006. General industrial machinery and equipment (which includes pumps, bearings, air/gas compressors, speed changers, drives and gears and mechanical power transmission equipment) rose to second place with 10.2% of market share, down from 10.5% in 2006.

CUSTOM SEAMLESS ROLLED RING FORGING

Total 2007 industry shipments for the custom seamless rolled ring forging industry increased to \$1,450,123,000, 19% above 2006's volume of \$1,220,145,000. Bookings of seamless rolled ring forgings for 2007 increased to \$1,537,538,000, 17% above 2006's \$1,310,612,000. Aerospace engines and engine parts accounted for the majority of seamless rolled rings produced, with a market share of 48.2% in 2007 vs. 50.6% in 2006. Oilfield machinery and equipment remained in second place, with 7.8% in 2007 vs 7.4% in 2006.

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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 2007'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 116 North American producers of forged metal components, accounting for about 61% 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 86 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.