



Universal Stainless Announces New Supply Agreement with Talley Metals

BRIDGEVILLE, Pa., July 9, 2001 -- Universal Stainless & Alloy Products, Inc. (Nasdaq:USAP) today announced that it has signed a new 18-month Supply Agreement with Talley Metals, a subsidiary of Carpenter Technology Corporation (NYSE:CRS).

Under the terms of the Agreement, Universal will supply Talley Metals an average of 1,250 tons of stainless steel reroll billet per month. It also gives Universal Stainless a right of first refusal on stainless steel billet requirements not sourced from a Carpenter manufacturing facility.

President and CEO Mac McAninch stated, "I am very pleased that we have been able to successfully complete these negotiations. Together with the management team at Talley Metals, we have structured the Agreement to meet their needs and it is in line with our expectations and plans for 2001 and 2002. "

McAninch added, "Our working relationship with Talley Metals allows Universal Stainless to maximize the utilization of our core assets and meet continued strong demand in the power generation, aerospace and petrochemical markets. This agreement verifies that a true partnership works and is beneficial to both parties involved."

About Universal Stainless & Alloy Products, Inc.

Universal Stainless & Alloy Products, Inc. headquartered in Bridgeville, manufactures and markets semi-finished and finished specialty steels; including stainless steel; tool steel and certain other alloyed steels. The Company's products are sold to rerollers, forgers, service centers and original equipment manufacturers, which primarily include the power generation and aerospace industries. The Company's Web address is www.univstainless.com.

Except for historical information contained herein, the statements in this release are forward-looking statements that are made pursuant to the "safe harbor" provision of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve known and unknown risks and uncertainties that may cause the Company's actual results in future periods to differ materially from forecasted results. Those risks include, among others, risks associated with the receipt, pricing and timing of future customer orders, risks associated with the manufacturing process and production yields, risks related to property, plant and equipment. Certain of these risks and other risks are described in the Company's filings with the Securities and Exchange Commission (SEC) over the last 12 months, copies of which are available from the SEC or may be obtained upon request from the Company.

CONTACT: Universal Stainless & Alloy Products, Inc., Bridgeville
Richard M. Ubinger, Vice President of Finance,
Chief Financial Officer and Treasurer
(412) 257-7606

Comm-Partners LLC
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(203) 972-0186