

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 24, 2009

Universal Stainless & Alloy Products, Inc.

(Exact name of registrant as specified in its charter)

Delaware	000-25032	25-1724540
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(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

600 Mayer Street, Bridgeville, Pennsylvania	15017
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(Address of principal executive offices)	(Zip code)

Registrant's telephone number, including area code: (412) 257-7600

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2.):

/ / Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
/ / Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
/ / Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
/ / Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On April 29, 2009, Universal Stainless and Alloy Products, Inc. (the "Company") issued a press release regarding its earnings for the first quarter ended March 31, 2009. A copy of the press release is attached hereto as Exhibit 99.1.

The information in Item 2.02 of this Current Report on Form 8-K, including the attached press release regarding the Company's earnings for the first quarter ended March 31, 2009, shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Item 2.06. Material Impairments.

On April 24, 2009, the Company's management concluded and reported to the Company's Board of Directors that it had determined, based on its analysis of overdue trade accounts receivables, work-in-process inventory, commercial claims and personnel reductions, that an impairment charge in the amount of \$3.7 million should be taken under generally accepted accounting principles applicable to the Company. This impairment charge is due primarily to the

write-off of the accounts receivable from a significant customer and scrapping of slow moving inventory. The Company intends to re-melt the related work-in-process inventory for other uses. The Company does not believe this impairment charge will result in any future cash expenditures.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 Press Release dated April 29, 2009

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

UNIVERSAL STAINLESS & ALLOY PRODUCTS, INC.

By: /s/ Richard M. Ubinger

Vice President of Finance,
Chief Financial Officer and Treasurer

Dated: April 29, 2009

[GRAPHIC OMITTED][GRAPHIC OMITTED]

CONTACTS: Richard M. Ubinger
 Vice President of Finance,
 Chief Financial Officer and Treasurer
 (412) 257-7606

June Filingeri
 President
 Comm-Partners LLC
 (203) 972-0186

FOR IMMEDIATE RELEASE

UNIVERSAL STAINLESS REPORTS FIRST QUARTER 2009 RESULTS

- Sales of \$42.2 Million in Line with Forecast, 26% below 10Q08 on 18% Fewer Tons Shipped -
 - Net Loss of \$3.8 Million Includes \$3.6 Million of Unusual Charges -
 - Cash Flow from Operations was \$2.6 Million in 1Q09 -
- Cash on Hand Increased to \$25.8 Million vs. Total Debt of \$13.3 Million -
 - First Phase of Melt Shop Project Completed On-Time and On-Budget -

BRIDGEVILLE, PA, April 29, 2009 - Universal Stainless & Alloy Products, Inc. (Nasdaq: USAP) reported today that sales for the first quarter of 2009 were \$42.2 million, which was at the high end of its forecast of \$32 million to \$42 million. This compares with sales of \$56.8 million in the first quarter of 2008.

The Company recorded a net loss for the first quarter of 2009 of \$3.8 million, or \$0.57 per diluted share, which included unusual charges of \$3.6 million equivalent to \$0.53 per share, after-tax, as detailed below. The Company announced on March 24 that the deepening recession and economic uncertainty would contribute to an expected loss for the quarter and include unusual charges. In the first quarter of 2008, the Company recorded net income of \$4.7 million, or \$0.70 per diluted share. The first quarter of 2009 included the following unusual charges (totaling \$6.0 million pre-tax):

- o \$1.9 million increase to the bad debt reserve due to the inability of a privately held service center customer to pay amounts owed on 2008 business and a related \$0.5 million increase to the inventory reserve;
- o \$1.5 million due to a decline in raw material values and the consumption of high cost material during the quarter;
- o \$1.0 million write-down of stock inventory;
- o \$0.9 million attributed to the reduction of operating levels; and
- o \$0.2 million resulting from a 20% reduction in salaried employees.

Cash flow from operations remained positive in the first quarter of 2009 and totaled \$2.6 million. Capital expenditures were a near-record \$3.7 million including initial expenditures of \$2.5 million for the \$13 million melt shop upgrade project. At March 31, 2009, cash was \$25.8 million, working capital was \$100.6 million and long-term debt was \$12.9 million.

President and CEO Dennis Oates commented: "The persistence of very difficult economic and credit conditions in the first quarter of 2009 resulted in reduced market demand, significant de-stocking in the specialty steel supply channel and liquidity problems for several of our privately-held customers. We have executed plans to aggressively reduce costs, generate cash and adjust our operating levels to market realities.

"These actions are designed to improve our performance under current conditions and position us to seize opportunities when the markets recover. We continue to strengthen our organization with industry veterans through the addition of Bill Beible as Senior Vice President of Operations and the naming of Chris Ayers to our Board of Directors. Lastly, our strategic investment program is progressing on time and on budget. These investments are focused on reducing production cycle times, increasing customer service levels, improving material yields, reducing operating costs and enhancing working capital management."

Mr. Oates concluded: "Given the unprecedented uncertainty in our industry, we

are not providing specific earnings guidance for the second quarter of 2009. We anticipate that second quarter sales will be below those of the first quarter of 2009 based on current low order entry and a decline in our backlog to \$58 million at March 31 from \$75 million at year-end. Our performance in the second quarter of 2009 is expected to be aided by our cost saving initiatives and better alignment of material costs to surcharges. We also expect to generate positive cash flow and maintain our strong balance sheet."

Segment Review

For the first quarter of 2009, the Universal Stainless & Alloy Products segment had sales of \$36.7 million and an operating loss of \$3.9 million, including \$5.0 million of unusual charges. In the first quarter of 2008, sales were \$48.2 million and operating income was \$4.9 million, or 10% of sales. In the fourth quarter of 2008, sales were \$53.1 million and operating income of \$1.9 million, or 3% of sales.

Segment sales declined 24% from the first quarter of 2008 primarily due to a 19% decrease in tons shipped. Increased shipments to forgers and OEMs were offset by lower shipments to rerollers and to service centers, mainly of tool steel plate. Segment sales decreased 31% from the fourth quarter of 2008 on 19% fewer tons shipped.

The Dunkirk Specialty Steel segment recorded sales of \$11.4 million and an operating loss of \$2.5 million for the first quarter of 2009, including unusual charges of \$1.0 million. In the first quarter of 2008, sales were \$20.1 million and operating income was \$2.8 million, or 14% of sales. In the fourth quarter of 2008, sales were \$11.4 million and the operating loss of \$1.3 million, including a \$248,000 charge related to the relocation of the round bar finishing line to Dunkirk from Bridgeville.

Dunkirk's sales declined 43% from the first quarter of 2008 while tons shipped decreased 28% due to lower shipments to all customer categories and lower surcharges. Dunkirk's sales were level with the fourth quarter of 2008 while tons shipped increased 23%, with the benefit of a strong increase in shipments to service centers offset by lower surcharges.

Webcast

A simultaneous Webcast of the Company's conference call discussing the first quarter of 2009, scheduled at 10:00 a.m. (Eastern) today, will be available on the Company's website at www.univstainless.com, and thereafter archived on the website.

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About Universal Stainless & Alloy Products, Inc.

Universal Stainless & Alloy Products, Inc., headquartered in Bridgeville, Pa., manufactures and markets a broad line of 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, original equipment manufacturers and wire redrawers. More information is available at www.univstainless.com.

Forward-Looking Information Safe Harbor

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 significant fluctuations that may occur in raw material and

energy prices, risks associated with the manufacturing process, labor and production yields, risks related to property, plant and equipment, and risks related to the ultimate outcome of the Company's current and future litigation and regulatory matters. The Company's actual results in future periods also may be impacted by various economic and market risk and uncertainties, many of which are beyond the Company's control. 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.

-TABLES FOLLOW-

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UNIVERSAL STAINLESS & ALLOY PRODUCTS, INC.
FINANCIAL HIGHLIGHTS
(Dollars in thousands, except per share information)
(Unaudited)

CONSOLIDATED STATEMENT OF OPERATIONS

	For the Quarter Ended	
	March 31,	
	2009	2008
	----	----
Net Sales		
Stainless steel	\$ 33,762	\$ 42,028
Tool steel	3,329	9,107
High-strength low alloy steel	2,743	4,011
High-temperature alloy steel	2,019	1,146
Conversion services	304	525
Other	29	28
	-----	-----
Total net sales	42,186	56,845
Cost of products sold	43,864	46,779
Selling and administrative expenses	4,737	3,075
	-----	-----
Operating income (loss)	(6,415)	6,991
Interest expense	(24)	(28)
Other income	30	87
	-----	-----
Income (loss) before taxes	(6,409)	7,050
Income tax (benefit) provision	(2,583)	2,327
	-----	-----
Net income (loss)	\$ (3,826)	\$ 4,723
	=====	=====
Earnings (loss) per share - Basic	\$ (0.57)	\$ 0.71
	=====	=====
Earnings (loss) per share - Diluted	\$ (0.57)	\$ 0.70
	=====	=====
Weighted average shares of		
Common Stock outstanding		
Basic	6,732,284	6,663,213
Diluted	6,761,436	6,771,482

MARKET SEGMENT INFORMATION

	For the Quarter Ended	
	March 31,	
	2009	2008
	----	----
Net Sales		
Service centers	\$ 17,532	\$ 29,234
Forgers	12,971	9,018
Rerollers	6,004	11,239

Original equipment manufacturers	4,399	5,441
Wire redrawers	947	1,369
Conversion services	304	525
Other	29	19
	-----	-----
Total net sales	\$ 42,186	\$ 56,845
	=====	=====
Tons shipped	9,593	11,767
	=====	=====

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BUSINESS SEGMENT RESULTS

Universal Stainless & Alloy Products Segment

	For the Quarter Ended	
	March 31,	
	2009	2008
	----	----
Net Sales		
Stainless steel	\$ 25,995	\$ 27,310
Tool steel	3,208	8,424
High-strength low alloy steel	1,015	1,113
High-temperature alloy steel	734	569
Conversion services	188	357
Other	29	10
	-----	-----
	31,169	37,783
Intersegment	5,516	10,415
	-----	-----
Total net sales	36,685	48,198
Material cost of sales	20,266	23,339
Operation cost of sales	16,460	17,790
Selling and administrative expenses	3,873	2,138
	-----	-----
Operating income (loss)	\$ (3,914)	\$ 4,931
	=====	=====

Dunkirk Specialty Steel Segment

	For the Quarter Ended	
	March 31,	
	2009	2008
	----	----
Net Sales		
Stainless steel	\$ 7,767	\$ 14,718
Tool steel	121	683
High-strength low alloy steel	1,728	2,898
High-temperature alloy steel	1,285	577
Conversion services	116	168
Other	-	18
	-----	-----
	11,017	19,062
Intersegment	365	988
	-----	-----
Total net sales	11,382	20,050
Material cost of sales	8,794	11,839
Operation cost of sales	4,225	4,489
Selling and administrative expenses	864	937
	-----	-----
Operating income (loss)	\$ (2,501)	\$ 2,785
	=====	=====

CONSOLIDATED BALANCE SHEET

	March 31, 2009 ----	December 31, 2008 ----
Assets		
Cash	\$ 25,781	\$ 14,812
Accounts receivable, net	29,190	33,057
Inventory	51,397	63,222
Other current assets	10,973	8,239
	-----	-----
Total current assets	117,341	119,330
Property, plant & equipment, net	65,203	62,626
Other assets	1,365	988
	-----	-----
Total assets	\$ 183,909 =====	\$ 182,944 =====
Liabilities and Stockholders' Equity		
Trade accounts payable	\$ 11,935	\$ 19,350
Outstanding checks in excess of bank balance	790	540
Accrued employment costs	3,189	3,795
Current portion of long-term debt	409	403
Other current liabilities	381	421
	-----	-----
Total current liabilities	16,704	24,509
Long-term debt	12,940	1,046
Deferred taxes	12,033	11,689
Other liabilities	290	-
	-----	-----
Total liabilities	41,967	37,244
Stockholders' equity	141,942	145,700
	-----	-----
Total liabilities and stockholders' equity	\$ 183,909 =====	\$ 182,944 =====

CONSOLIDATED STATEMENT OF CASH FLOW DATA

For the Three-Month Period Ended March 31,

	2009 ----	2008 ----
Cash flows provided by operating activities:		
Net income (loss)	\$ (3,826)	\$ 4,723
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation and amortization	1,164	982
Loss on retirement of fixed assets	-	286
Deferred tax (decrease) increase	(609)	91
Stock based compensation expense	250	195
Tax benefit from share-based payment arrangements	-	(183)
Changes in assets and liabilities:		

Accounts receivable, net	3,867	(7,174)
Inventory	11,825	37
Trade accounts payable	(7,415)	767
Accrued employment costs	(606)	(1,669)
Other, net	(2,013)	2,153
	-----	-----
Cash flow provided by operating activities	2,637	208
	-----	-----
Cash flow used in investing activities:		
Capital expenditures	(3,734)	(3,092)
	-----	-----
Cash flow used in investing activities	(3,734)	(3,092)
	-----	-----
Cash flows used in financing activities:		
Long-term debt issuance	12,000	-
Long-term debt repayments	(100)	(99)
Net change in outstanding checks in excess of bank balance	250	2,740
Deferred financing costs	(84)	
Proceeds from issuance of common stock	-	207
Tax benefit from share-based payment arrangements	-	183
	-----	-----
Cash flow used in financing activities	12,066	3,031
	-----	-----
Net cash flow	\$ 10,969	\$ 147
	=====	=====