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): May 18, 2018

Universal Stainless & Alloy Products, Inc.
(Exact name of registrant as specified in its charter)

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

600 Mayer Street, Bridgeville, Pennsylvania	15017
(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01. Entry into a Material Definitive Agreement.

On May 18, 2018, Universal Stainless & Alloy Products, Inc. (the "Company") entered into a letter agreement with PNC Bank, National Association, as a lender and as administrative agent and co-collateral agent, and Bank of America, N.A., as a lender and as co-collateral agent, with respect to the Company's revolving credit, term loan and security agreement (the "Letter Agreement"). Pursuant to the terms of the Letter Agreement, the first $30.0 million of any net cash proceeds received by the Company from the issuance of equity securities through and including June 30, 2018 will be applied (i) first, to the outstanding principal amount under the Company's senior secured revolving credit facility, (ii) second, to the outstanding principal amount under the Company's senior secured term loan facility and (iii) third, to any remaining amounts outstanding under the Company's senior secured credit facility. The Letter Agreement also provides that the Company's borrowing availability under the Company's senior secured revolving credit facility will be reduced after any such application of net proceeds from the issuance of equity securities by an amount equal to 50% of any such net cash proceeds that are applied to the outstanding principal amount under the Company's senior secured revolving credit facility.

The foregoing is a description of the material terms and conditions of the Letter Agreement and is not a complete discussion of the Letter Agreement. Accordingly, the foregoing is qualified in its entirety by reference to the full text of the Letter Agreement, which is filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

Item 8.01. Other Events.

Public Offering

On May 24, 2018, the Company issued a press release announcing its intention to offer shares of the Company's common stock, $0.001 par value per share, in an underwritten public offering. The Company's press release announcing this intention is filed as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein by reference.

Investor Presentations

The investor presentation slides filed as Exhibit 99.2 to this Current Report on Form 8-K have been prepared for investor presentations made by senior management of the Company from time to time and are incorporated herein by reference. The slides will be available on the Company's website at www.univstainless.com. Information contained on the Company's website is not incorporated by reference into this Current Report on Form 8-K.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

10.1	Letter Agreement, dated May 18, 2018, among Universal Stainless & Alloy Products, Inc., the other borrowers party thereto, PNC Bank, National Association, as a lender and as administrative agent and co-collateral agent, and Bank of America, N.A., as a lender and as co-collateral agent.
99.1	Press Release dated May 24, 2018.
99.2	Investor presentation slides.

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/ Paul A. McGrath
Paul A. McGrath
Vice President of Administration,
General Counsel and Secretary

Dated: May 24, 2018

Exhibit 10.1

May 18, 2018

Universal Stainless & Alloy Products, Inc.
600 Mayer Street
Bridgeville, PA 15017
Attention: Mr. Christopher T. Scanlon, Chief Financial Officer

Re: Credit facility provided to Universal Stainless & Alloy Products, Inc., a Delaware corporation ("Universal"), Dunkirk Specialty Steel, LLC, a Delaware limited liability company ("Dunkirk") and North Jackson Specialty Steel, LLC, a Delaware limited liability company ("North Jackson") (Universal, Dunkirk and North Jackson, collectively, the "**Borrowers**", and each a "**Borrower**"), by PNC Bank, National Association ("**PNC**"), various other financial institutions from time to time (PNC and such other financial institutions are each a "**Lender**" and collectively, the "**Lenders**"), PNC, as administrative agent for the Lenders (in such capacity, the "**Administrative Agent**") and PNC and Bank of America, N.A., as co-collateral agents for the Lenders (collectively, the "**Co-Collateral Agents**")

Dear Mr. Scanlon:

Reference is made to that certain Revolving Credit, Term Loan and Security Agreement, dated as of January 21, 2016, by and among the Borrowers, the Lenders party thereto, the Administrative Agent and the Co-Collateral Agents (as amended, modified, supplemented or restated from time to time, the "**Credit Agreement**"). Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Credit Agreement.

Notwithstanding the provisions of Section 2.20(b) to the Credit Agreement, the Borrowers, the Administrative Agent and the Lenders hereby agree that (i) any net cash proceeds received by any Loan Party on or after the date of this letter through and including June 30, 2018 that are required to be repaid by such Loan Party and applied to the Advances pursuant to Section 2.20(b) of the Credit Agreement (other than net cash proceeds received in respect of the issuance or other incurrence of Indebtedness), in an aggregate amount not to exceed $30,000,000.00, shall be applied (x) first, to the outstanding principal amount of the Revolving Advances, (y) second, to the outstanding principal installments of the Term Loan in the inverse order of the maturities thereof and (z) third, to the remaining Advances in such order as Administrative Agent may determine and (ii) the Co-Collateral Agents shall institute reserves pursuant to sub-clause (v) of clause (y) of Section 2.1(a)(A) of the Credit Agreement in an amount equal to fifty percent (50%) of any net cash proceeds received and applied to the Revolving Advances pursuant to the foregoing clause (i).

The agreements and consents contained herein shall be limited to the specific agreements and consents made herein. Except as otherwise modified herein, all other terms and conditions of the Credit Agreement and the other Loan Documents continue in full force and effect and are unmodified by this letter.

If the foregoing terms and conditions are acceptable to you, please indicate your acceptance by signing in the spaces indicated below. This letter agreement shall constitute a rider to and form a part of the Credit Agreement, as the same may be amended, modified or supplemented from time to time.

PNC Bank, National Association,
as a Lender, as Administrative Agent and as Co-Collateral Agent

By: /s/ Michael Etienne
Name: Michael Etienne
Title: Senior Vice President

Bank of America, N.A.,
as a Lender and as Co-Collateral Agent

By: /s/ Susanna Profis
Name: Susanna Profis
Title: Senior Vice President

Consented and agreed to as of the first datewritten above:

Universal Stainless & Alloy Products, Inc.

By: /s/ Christopher T. Scanlon
Name: Christopher T. Scanlon
Title: CFO and Treasurer

Dunkirk Specialty Steel, LLC

By: /s/ Christopher T. Scanlon
Name: Christopher T. Scanlon
Title: Executive Officer

North Jackson Specialty Steel, LLC

By: /s/ Christopher T. Scanlon
Name: Christopher T. Scanlon
Title: Treasurer

Exhibit 99.1

CONTACTS:

Dennis Oates	Christopher T. Scanlon	June Filingeri
Chairman,	VP Finance, CFO	President
President and CEO	and Treasurer	Comm-Partners LLC
(412) 257-7609	(412) 257-7662	(203) 972-0186

FOR IMMEDIATE RELEASE

UNIVERSAL STAINLESS ANNOUNCES COMMON STOCK OFFERING

BRIDGEVILLE, PA, May 24, 2018 — Universal Stainless & Alloy Products, Inc. (the "Company") (Nasdaq: USAP) announced today its intention to offer, subject to market and other conditions, shares of common stock in an underwritten registered public offering. The Company expects to grant the underwriter a 30-day option to purchase additional shares of common stock in an amount up to 15% of the number of shares of common stock to be offered.

The Company intends to use the net proceeds from the offering to repay amounts outstanding under the Company's senior secured revolving credit facility.

Cowen and Company, LLC is acting as the sole book-running manager for the offering.

The offering of these securities is being made pursuant to an effective shelf registration statement. The offering will be made only by means of a prospectus supplement and the accompanying prospectus. Copies of the preliminary prospectus supplement and the accompanying prospectus may be obtained by sending a request to: Cowen and Company, LLC, c/o Broadridge Financial Services, 1155 Long Island Avenue, Edgewood, NY 11717, Attention: Prospectus Department, or by telephone at (631) 274-2806 or by accessing the SEC's website, www.sec.gov.

This news release shall not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

About Universal Stainless & Alloy Products, Inc.

The Company, established in 1994 and headquartered in Bridgeville, PA, manufactures and markets semi-finished and finished specialty steels, including stainless steel, nickel alloys, tool steel and certain other alloyed steels. The Company's products are used in a variety of industries, including aerospace, power generation, oil and gas, and heavy equipment manufacturing. 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, the Company's ability to maintain its relationships with its significant customers and market segments; the Company's response to competitive factors in its industry that may adversely affect the

market for finished products manufactured by the Company or its customers; the Company's ability to compete successfully with domestic and foreign producers of specialty steel products and products fashioned from alternative materials; the demand for the Company's products and the prices at which the Company is able to sell its products in the aerospace industry, from which a substantial amount of our sales is derived; the Company's ability to develop, commercialize, market and sell new applications and new products; the receipt, pricing and timing of future customer orders; the impact of changes in the Company' product mix on the Company's profitability; the Company's ability to maintain the availability of raw materials and operating supplies with acceptable pricing; the availability and pricing of electricity, natural gas and other sources of energy that the Company needs for the manufacturing of its products; risks related to property, plant and equipment, including the Company's reliance on the continuing operation of critical manufacturing equipment; the Company's success in timely concluding collective bargaining agreements and avoiding strikes or work stoppages; the Company's ability to attract and retain key personnel; the Company's ongoing requirement for continued compliance with laws and regulations, including applicable safety and environmental regulations; the ultimate outcome of the Company's current and future litigation matters; the Company's ability to meet its debt service requirements and to comply with applicable financial covenants; risks associated with conducting business with suppliers and customers in foreign countries; risks related to acquisitions that the Company may make; the Company's ability to protect its information technology infrastructure against service interruptions, data corruption, cyber-based attacks or network security breaches; the impact on the Company's effective tax rates of changes in tax rules, regulations and interpretations in the United States and other countries where it does business; and the impact of various economic, credit and market risk uncertainties. Many of these factors are not within the Company's control and involve known and unknown risks and uncertainties that may cause the Company's actual results in future periods to be materially different from any future performance suggested herein. Any unfavorable change in the foregoing or other factors could have a material adverse effect on the Company's business, financial condition and results of operations. Further, the Company operates in an industry sector where securities values may be volatile and may be influenced by economic and other factors 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.

# # #

Exhibit 99.2

UNIVERSAL STAINLESS

Investor Presentation

Growing Advanced Alloys

May 2018

NASDAQ: USAP

univstainless.com

Forward Looking Statement

Except for historical information contained herein, the statements in this presentation 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, the concentrated nature of the Company’s customer base to date and the Company’s dependence on its significant customers; the receipt, pricing and timing of future customer orders; changes in product mix; the limited number of raw material and energy suppliers and significant fluctuations that may occur in raw material and energy prices; risks related to property, plant and equipment, including the Company’s reliance on the continuing operation of critical manufacturing equipment; risks associated with labor matters; the Company’s ongoing requirement for continued compliance with laws and regulations, including applicable safety and environmental regulations; the ultimate outcome of the Company’s current and future litigation and matters; risks related to acquisitions that the Company may make; and the impact of various economic, credit and market risk uncertainties. Many of these factors are not within the Company’s control and involve known and unknown risks and uncertainties that may cause the Company’s actual results in future periods to be materially different from any future performance suggested herein. Any unfavorable change in the foregoing or other factors could have a material adverse effect on the Company’s business, financial condition and results of operations. Further, the Company operates in an industry sector where securities values may be volatile and may be influenced by economic and other factors 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.

Non-GAAP Financial Measures

Some of the information included in this presentation is derived from the Company’s consolidated financial information but is not presented in the Company’s financial statements prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP). Some of this data is considered “non-GAAP financial measures” under SEC rules. These non-GAAP financial measures supplement our GAAP disclosures and should not be considered an alternative to the GAAP measure. Reconciliation to the most directly comparable GAAP financial measure is provided.

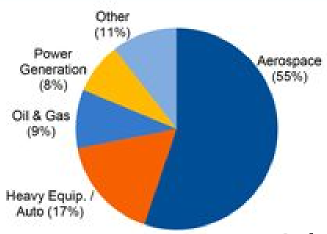
Universal Stainless At a Glance

Overview

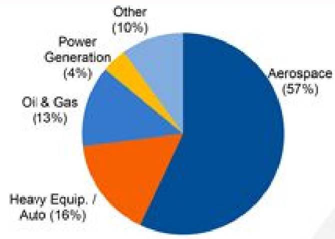
- Leading manufacturer of specialty steel products focused on creating sustainable value for all stakeholders
- Fully integrated and geographically contiguous operations designed to ensure quality and consistency of products to meet customer demands
- Products are specifically tailored to address the aerospace, heavy equipment / auto, power generation and oil & gas markets through service centers, OEMs, forgers and rerollers

Sales by End Market

2017

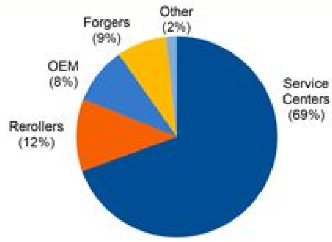


Q1 2018

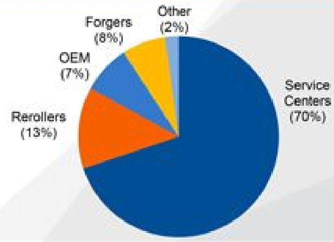


Sales by Customer Type

2017



Q1 2018



Semi-Finished Products


Ingots


Reroll / Forging Billet


Plate

Finished Products


Bloom Bar


Forged Bar


Rolled Bar


Rod and Wire


Special Shapes

Company History — Transformational Acquisitions; Expansion in Premium Alloys Unfolding

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Poised for Growth

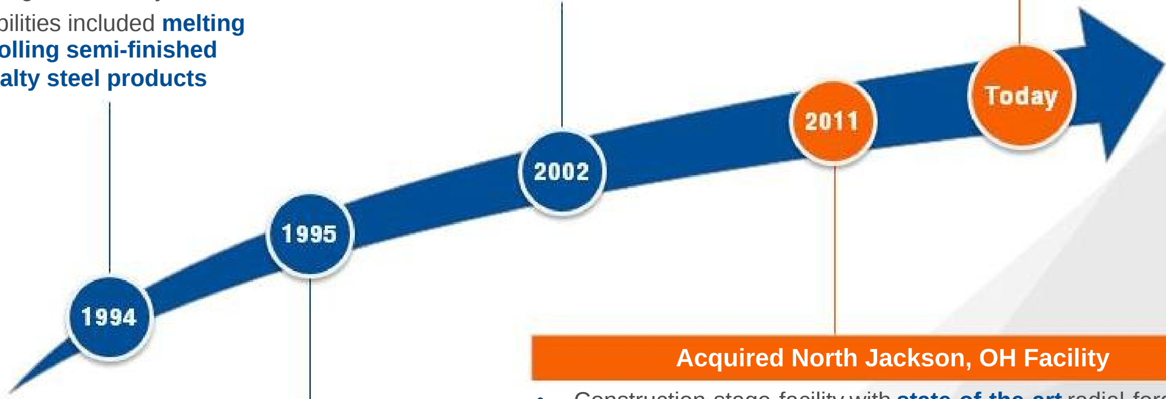
- USAP continues to **grow premium alloy sales** and is **focused on margin expansion** through process integration and improving product mix
- Significant additional **available capacity** to deliver growth

Acquired Dunkirk, NY Facility

- Purchase of a finishing facility transformed the Company into a **fully integrated manufacturer of specialty steel products**

Acquired Bridgeville, PA Facility

- **Company was founded** in conjunction with the acquisition of the Bridgeville Facility
- Capabilities included **melting and rolling semi-finished specialty steel products**



Acquired Titusville, PA Facility

- **Expanded production capability** for aerospace and power generation applications

Acquired North Jackson, OH Facility

- Construction-stage facility with **state-of-the-art** radial forge, Vacuum Induction Melting (VIM) furnace, Vacuum Arc Remelting (VAR) furnaces and other heat treating / finishing equipment — now **fully operational**
- Fast-tracks the Company's move toward **technologically advanced alloys** for aerospace, power generation and oil & gas markets; accelerates profit growth

Strategic Objectives

1. Grow our portfolio of technologically advanced, higher-margin alloys
2. Expand targeted customer approvals for new products
3. Increase and broaden penetration in key, growing end markets
4. Optimize Universal's integrated manufacturing system
5. Targeted capital investment
6. Relentless focus on operational improvement

Acquisition of North Jackson — Fast Track Key Strategic Initiatives

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1 Increase USAP Margins

- Improve cycle times, yields company-wide
- Reduce 3rd party costs with internal forge & finish capability
- Eliminate capacity constraints in re-melting
- Move up value chain with Vacuum Induction Melting (VIM) of technologically advanced premium metals
- Expand product and tolling reach with advanced radial hydraulic forging technology

2 Expand Addressable Markets

- Selected premium alloy markets in aerospace, power generation, oil & gas & high end manufacturing
- Larger and longer squares, rounds, bars and custom shapes
- International markets

3 Excel in Industry Lead-times and Customer Service

Status Report

New Customer Approvals Received 2016 — 2017:

38

New Products Developed January 2017 through Q1 2018:

14

New Products Under Development as of the end of Q1 2018:

14

Premium Alloys as Percentage Sales:

2017	Q1 2018
13.5%	18.6%

Moving Toward Higher-Value Alloys

Acquisition of North Jackson in 2011

- State-of-the-art hydraulic radial forge; VIM furnace
- Added key capabilities in aerospace, power generation and oil & gas applications
  - Successful market entry into aerospace parts, landing gear, helicopter rotor masts and gears, and drill shafts for oil & gas applications

Continue to Penetrate Key End Markets

- Opportunity for continued growth in aerospace due to a more comprehensive product offering
- Oil & gas presents an upside opportunity given market recovery
- Growth in high end industrial applications and infrastructure

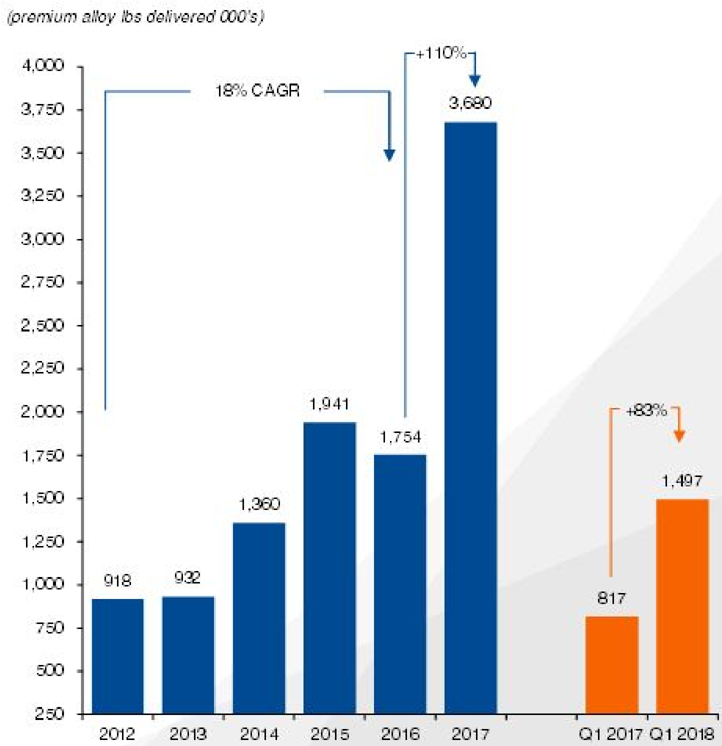
Premium Alloys to Drive Margin Accretion

- Continued growth in higher-value premium alloy sales expected to be accretive to gross margin

Strong Momentum for Premium Alloys

- Accelerated sales growth for Q1 2018 premium alloys, which grew 83.2% compared with Q1 2017, contributed to overall sales growth

Premium Alloy[1] Sales Have Grown Since 2012



1. Premium alloys represent all Vacuum Induction Melted (VIM) products.

Integrated Manufacturing Process

- Delivering a broad set of product offerings starting from either VIM or AOD melt capability
- Consistent operating model; integrated quality systems; sharing best practices

Primary Melt / Remelt*

Bridgeville / North Jackson / Titusville

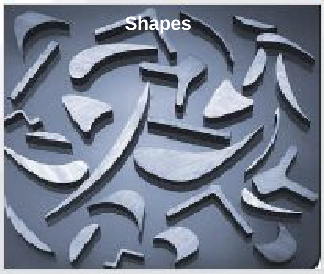
Hot Working

Bridgeville / North Jackson / Dunkirk

Finishing

Dunkirk / North Jackson

Specialty Shapes



Titusville

***AOD: Argon Oxygen Decarburization** **VIM: Vacuum Induction Melting** **VAR: Vacuum-Arc Remelting** **ESR: Electro-Slag Remelting**

Business Model Provides Unique Leverage to Market Improvements

Unique Leverage to Market Recoveries

- A majority of sales are made to service centers, forgers and re-rollers
- Higher concentration of service center sales translates into greater benefit in recovering markets

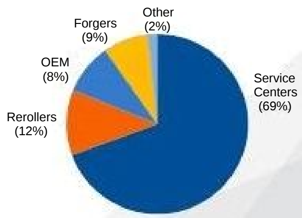
Delivering Growth in 2018

- Aerospace market is strong; increasing optimism among oil & gas customers; tool steel plate market remains healthy
- Q1 2018 sales of $63.7 million up 30.4% from Q1 2017
- Q1 2018 backlog of $90.6 million, up 16.7% sequentially, and up 58.8% from Q1 2017
  - Highest backlog levels since Q2 2012
- Bookings at the highest level since Q1 2012

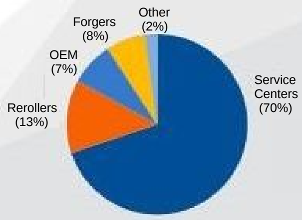
Representative Customers — Direct and Indirect

Sales by Customer Type

2017



Q1 2018



End Markets — Overview

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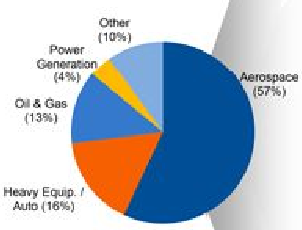
Sales by Customer Type Q1 2018



Aerospace

- Airbus / Boeing record backlog equal to ~8 years of production[1]
- Passenger traffic growth rate at record levels, driving aftermarket demand
- Industry and our customers are healthy
- Expanding OEM participation

Heavy Equipment / Auto

- Light vehicle production levels are expected to remain strong
- Off-road equipment sector in strong recovery
- Tool steel requirements expected to continue shift to domestic supply

Oil & Gas

- Increasing customer optimism in improving market with stronger oil prices ($60+ per barrel), growing US rig count and better international outlook
- Uptick in oil & gas demand represents an upside opportunity

Power Generation

- Natural gas continues to supplant coal as a source of electricity generation
- Solid maintenance business on higher utilization
- Short term weakness in new turbine market as evidenced by recent GE & Siemens announcements

Source: Wall Street research, Boeing, Airbus.

1. Years of production is calculated by adding the total backlog for Boeing and Airbus and dividing by the cumulative average annual production for 2018E-2020E

End Markets — Aerospace

The USAP Opportunity

- Aircraft production growth rates, combined with new customer approvals, are driving increased demand for premium alloys from USAP
- USAP's alloys are used across a variety of aircraft applications, from the airframe to the engines

Aerospace Market Remains Robust

- Airbus and Boeing delivery schedules expected to continue recent growth — combined backlog is equal to ~8 years of production
- Passenger traffic remains strong, growing above expectations in 2017, which is driving strong aftermarket demand for specialty metals
- Defense spending supports specialty metal demand

Illustrative Product Applications in Aero


1 Landing Gear


2 Hydraulic Systems

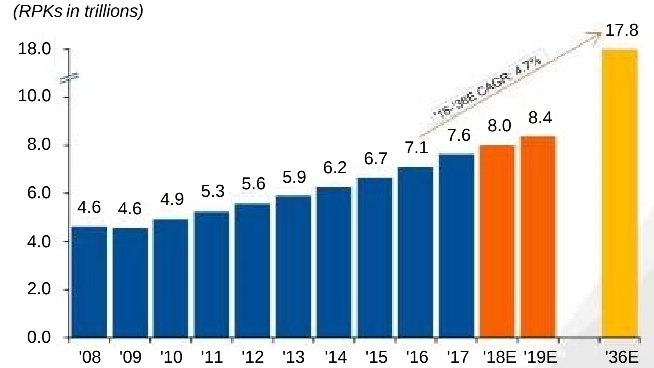

3 Hinges & Actuators


4 Lavatory Flush Systems

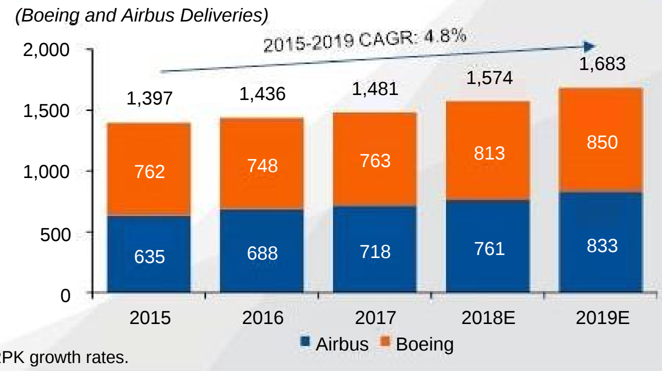

5 Rings & Casings; Bearings


6 Forged Titanium Components

Passenger Traffic Growth Remains Strong (RPK)[1]



Robust Aircraft Delivery Schedule



Source: Wall Street research, IATA, Boeing Current Market Outlook 2017-2036.
1. Revenue per Kilometers figures are estimates based on historical figures and forecasted RPK growth rates.

End Markets — Heavy Equipment / Auto

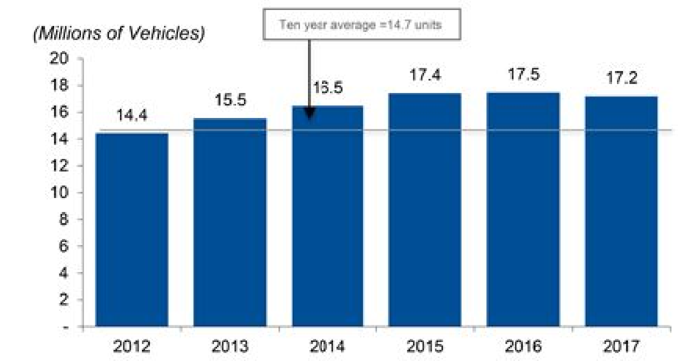
The USAP Opportunity

- While opportunity for tool steel is primarily driven by the auto sector, off-road / large vehicles also require significant tooling
- Demand for tool steel is heavily correlated with cadence of new model introductions — new models require OEMs to re-tool factories
- Higher unit production levels also drive demand, as re-tooling is required for existing models

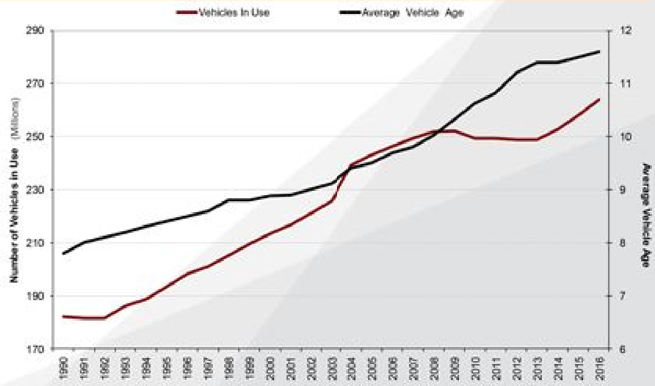
Positive Demand Dynamics for Tool Steel

- New model introductions are expected to accelerate in the next few years, bolstering tool steel demand
- Strong levels of North American light vehicle production FY 2017 at 17.2 million units; 16% greater than the ten year average production rate
- Average age of light vehicles continues to increase. However, this is expected to plateau given anticipated ramp in future light vehicle sales
- Significant recovery in off-road equipment sales in 2017 (i.e. Caterpillar)
- Share capture from imported tool steel product

Robust U.S. Light Vehicle Sales



U.S. Light Vehicle Population and Avg Vehicle Age



Source: Wall Street Research, U.S. Bureau of Economic Analysis, Light Weight Vehicle Sales retrieved from Federal Reserve Bank of St. Louis as of December 2017.

End Markets — Oil & Gas

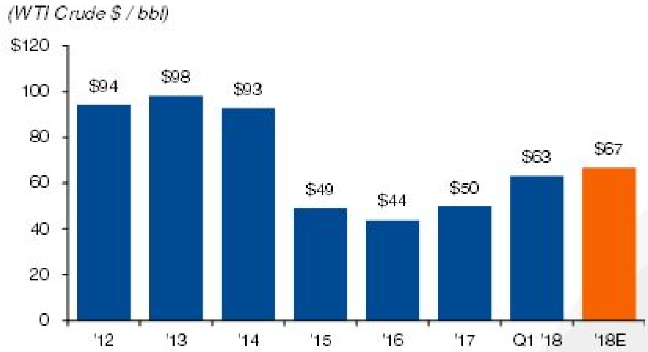
The USAP Opportunity

- Oil & gas sales have accounted for ~10% of revenue since 2013 — customer optimism continues to increase
- Expanded North Jackson high-value product offering; positioned to seize opportunities in oil & gas market

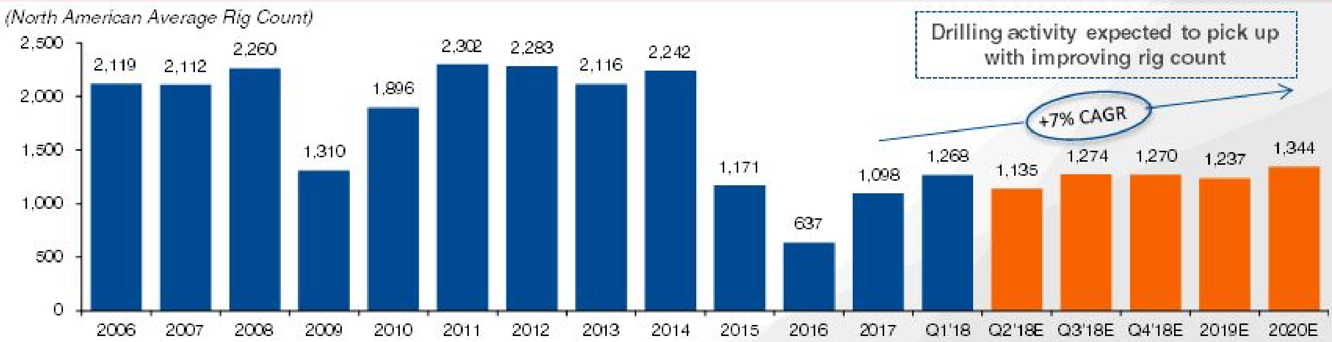
Oil & Gas Showing Signs of Recovery, but Remains Below 2014 Highs

- Current oil prices in $60+/bbl range recently up ~50% since bottoming in 2016
- Firmer commodity prices are driving higher rig counts and drilling activity; year-end 2017 US rig count up 72.4% vs. PY

Oil Prices Appear to be Stabilizing



Rig Count Expected to Gradually Recover[1]



Source: Wall Street research, Capital IQ, Baker Hughes, U.S. EIA and Bloomberg Estimates as of April 2018.

1. 2006-2016 Average Rig Count is the sum of the average weekly and monthly rig counts for the U.S. and Canada, respectively. 2017-2020E sourced through Wall Street research.

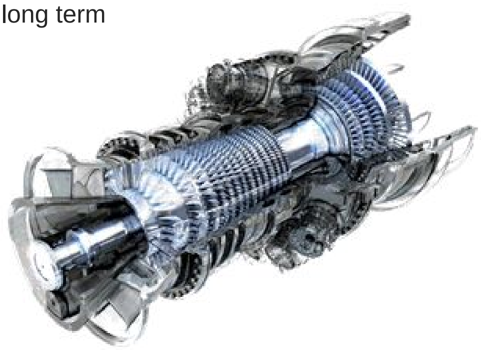
End Markets — Power Generation

The USAP Opportunity

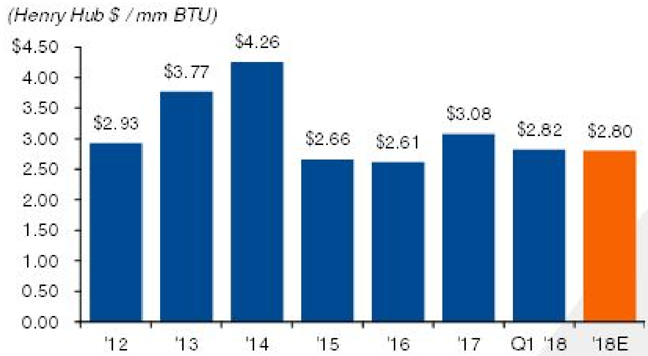
- Continued emphasis on increased efficiency and reduced emissions necessitate higher operating temperatures and therefore more advanced alloys
- USAP's specialty and premium alloys are used in critical gas-powered turbine components

Shift Toward Natural Gas Power Generation

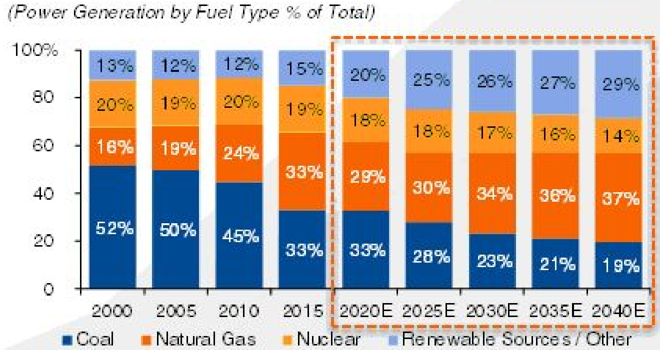
- Natural gas continues to supplant coal as a leading fuel for electricity generation, led by demand from the industrial and electric power sectors
- By 2040, natural gas is expected to account for nearly 40% of U.S. power generation
- Current demand is driven primarily by maintenance business — upside potential from new turbine market in the long term



Natural Gas Prices Support Shift to Gas Turbines



Paradigm Shift from Coal to Natural Gas



Source: Capital IQ, U.S. Energy Information Administration Annual Energy Outlook – Reference Case (2017), Bloomberg Estimates as of April 2018.

Universal Stainless — Advancing Our Position to Serve Clients and Achieve Profitable Growth

Successful progress in strategy execution has strengthened operations, expanded product offerings

Transformative acquisition of North Jackson expands addressable markets + moves up value chain in products

Growing ability to capture aerospace, oil & gas, and power generation opportunities and better serve all end markets

Commitment to responsible capital investment supported by solid operating cash flow and balance sheet

Experienced **management team relentlessly focused** on operational improvement, customer service, profitable growth

Financial Performance Review

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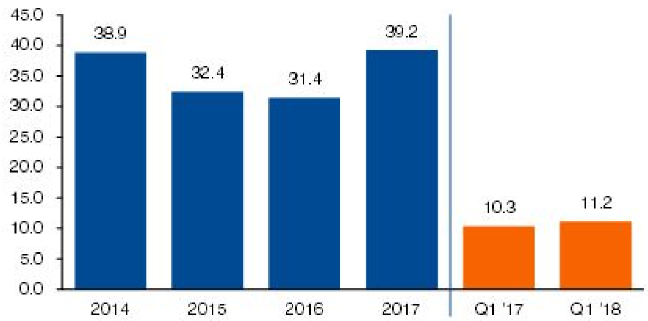
Historical Financial Performance

Notes

- Net sales increase of 30.4% for Q1 2018 driven by improvements in nearly all end markets compared with PY
- Accelerated sales growth for Q1 2018 premium alloys, which grew 103.1% compared with Q1 2017, contributed to overall sales growth
- Improved average dollar per ton shipped in FY 2017 was primarily a result of increased sales of higher value premium alloys

Net Sales ($mm)

Shipments (k tons)



Average Net Sales ($ per ton)

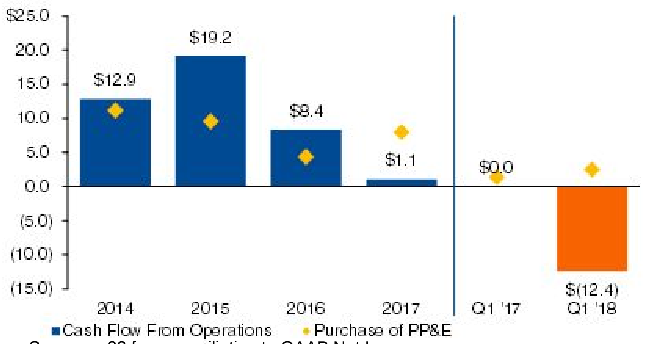
Historical Financial Performance (Cont.)

Notes

- Increase in Q1 2018 EBITDA driven by top-line growth, operational productivity enhancements, improved operating leverage and favorable product mix
- Capex remains focused on high-return manufacturing enhancements and maintenance projects
- In Q1 2018 Cash Flow from Ops was impacted by an increase in working capital to support topline growth
  - Increased sales drove $8.6 million in Accounts Receivables
  - Inventory increased $3.8 million on increased backlog

Adjusted EBITDA[1] ($mm)

Cash Flow From Operations and Capex ($mm)



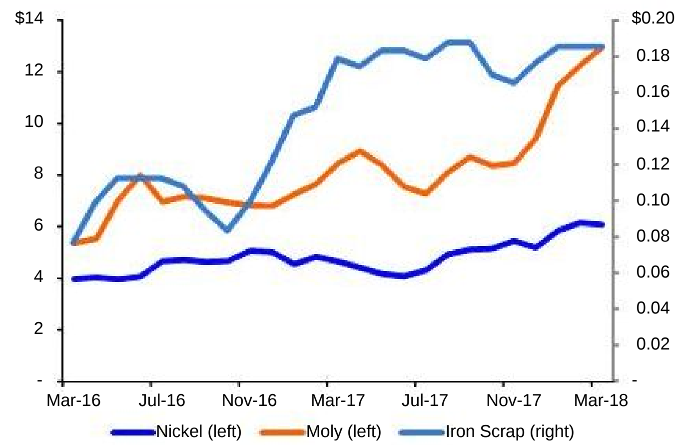
Total Debt[2] ($mm)

1. See page 23 for reconciliation to GAAP Net Income.
2. Represents Long-Term Debt plus Current Portion of Long-Term Debt less Deferred Financing Costs. Q1 '18 includes Long-Term NMTC Liability of $3.0m

Commodities & Gross Margin %

- Gross margin increase in recent quarters was primarily attributable to operational productivity enhancements, improved operating leverage combined with significant improvement in the alignment of customer surcharges and commodity input costs
- Recent increases in core commodities resulted in improved alignment of input costs and customer surcharges
- Gross margin for the full year of 2017 negatively impacted by temporarily higher maintenance and outsourcing costs, as well as impact of facility fires in second half of year

Commodity Price Per Pound



Gross Margin %

Source: Internal Company Commodity Analysis.

Universal Stainless — A Leader in Specialty Metals

- Leading Manufacturer of Specialty Steel Products
- Fully Integrated, Geographically Contiguous Operations Improve Supply Chain Efficiency
- Transitioning to Higher-Value Premium Alloy Sales
- Well-Positioned to Further Penetrate Attractive End Markets
- Meaningful Leverage to Improving Market Environment
- Significant Financial Flexibility Provided by Recent Refinancing
- Experienced Management Team Relentlessly Focused on Operational Improvement, Customer Service and Safety

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Appendix

Adjusted EBITDA Reconciliation to GAAP Net Income

($ in thousands)	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**Q1 2017**	**Q1 2018**
Net (loss) income	$13,242	$18,122	$14,617	($4,062)	$4,050	($20,672)	($5,347)	$7,610	($1,219)	$2,125
Interest expense	435	1,265	2,284	2,598	3,035	2,324	3,659	4,022	939	1,142
Provision (benefit) for income taxes	6,821	10,356	6,334	(2,504)	3,149	(12,144)	(3,526)	(7,601)	(262)	777
Depreciation and amortization	5,486	8,851	14,368	16,280	17,476	18,608	18,533	18,823	4,717	4,756
EBITDA	**$25,984**	**$38,594**	**$37,603**	**$12,312**	**$27,710**	**($11,884)**	**$13,319**	**$22,854**	**$4,175**	**$8,800**
Adjustments to EBITDA										
Share-based compensation expense	1,819	1,580	1,649	1,827	2,082	1,865	1,405	1,564	534	326
Write-off of deferred financing costs	-	-	-	-	-	-	768	-	-	-
Goodwill impairment	-	-	-	-	-	20,268	-	-	-	-
Adjusted EBITDA	**$27,803**	**$40,174**	**$39,252**	**$14,139**	**$29,792**	**$10,249**	**$15,492**	**$24,418**	**$4,709**	**$9,126**

Adjusted EBITDA is not a recognized term under GAAP and does not purport to be an alternative to our net (loss) income determined in accordance with GAAP. We believe that Adjusted EBITDA provides information that is useful to investors because it allows for a more direct comparison of our performance for the period reported with our performance in prior periods. Because all companies do not use identical calculations, the presentation of our Adjusted EBITDA may not be comparable to similarly titled measures of other companies.

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Questions & Answers

Thank You!