# Brush Engineered Materials Inc. Reports Second Quarter Results

MAYFIELD HEIGHTS, Ohio, Jul 31, 2009 (BUSINESS WIRE) -- Brush Engineered Materials Inc. (NYSE: BW) today reported second quarter 2009 results. Both sales and EPS exceeded the Company's expectations. Second quarter sales were $174.1 million, ahead of the previously announced guidance of $150.0 to $160.0 million. The reported net loss for the quarter was $0.04 per share versus the previously announced guidance of up to a $0.20 per share loss. Additionally, the Company also updated the outlook for the year, noting an improvement in order trends.

## SECOND QUARTER RESULTS

Sales for the second quarter of 2009 were $174.1 million, an improvement of 29% or $38.7 million compared to the first quarter 2009 sales of $135.4 million. The significant improvement in quarter over quarter sales is due primarily to an increase in demand for the Company's materials from the consumer electronics-oriented markets. The second quarter was also stronger than the first quarter due to the negative effect that rapid supply chain inventory adjustments at its customers had on first quarter sales.

The net loss for the second quarter of 2009 was $0.8 million or $0.04 per share, diluted, an improvement of $0.36 per share, diluted, compared to the first quarter 2009 net loss of $8.1 million or $0.40 per share, diluted. The second quarter performance was significantly better than expected due both to the higher sales levels and the favorable impact of the previously reported cost reduction initiatives.

Sales of $174.1 million in the second quarter 2009 declined $72.5 million, or 29% versus sales of $246.6 million in the second quarter 2008. For the first six months of 2009, sales of $309.5 million were 35% lower than sales of $472.9 million for the first six months of 2008. The second quarter net loss of $0.8 million was a decline of $8.0 million versus the 2008 second quarter net income of $7.2 million. For the first six months of the year, the net loss of $8.9 million was down $20.7 million versus net income of $11.8 million for the same period last year.

## BALANCE SHEET

The Company's already strong balance sheet improved significantly in the quarter. Cash increased by $8.1 million and debt was reduced by $14.3 million. At the end of the quarter, the Company had $2.6 million drawn on its committed revolving line of credit. The line totals $240.0 million and matures in November of 2012.

## COST REDUCTION INITIATIVES

As previously reported, during the fourth quarter of 2008 and subsequently during the first and second quarters of 2009 as the global economic downturn began to take hold, the Company responded quickly and effectively with a number of initiatives to reduce costs and to assure that the Company's balance sheet remains strong. The measures implemented included global headcount reductions that reduced total employment by approximately 17% as well as a number of additional initiatives including reducing the salaries of senior executives and senior managers, reducing the annual cash retainer fees of the Board of Directors, implementing a general pay freeze, suspending the 401(k) match, reducing discretionary spending and supplier costs, and deferring lower priority initiatives. Efforts to reduce working capital and targeted capital spending deferrals were also implemented. It was reported then that the annualized impact of the cost reductions is in the range of $45.0 million to $50.0 million and while the scale of these initiatives is sizable, the Company is taking care not to disrupt investment in the pipeline of new products that will help during the difficult macroeconomic environment of 2009 and provide solid growth opportunities for 2010 and beyond.

The majority of the cost reduction initiatives were completed early in the second quarter, favorably affecting results in the quarter.

## BUSINESS SEGMENT REPORTING

*Advanced Material Technologies and Services*

The Advanced Material Technologies and Services' segment sales for the second quarter of 2009 were $112.3 million

compared to $129.3 million in the second quarter of the prior year. Sales for the first six months of 2009 were $192.3 million versus $253.3 million for the same period last year. Metal prices accounted for 55% and 33% of the decline in sales for the second quarter and first six months, respectively. While sales were lower in the second quarter of 2009 versus 2008, the second quarter sales were up 40% over the first quarter of 2009.

Operating profit for the second quarter was $8.4 million, up $3.4 million versus $5.0 million for the second quarter of 2008. The operating profit in the second quarter of 2008 included the effect of a $6.0 million lower of cost or market inventory charge. Operating profit year to date was $9.1 million versus $10.5 million for the first six months of last year.

The second quarter sales increase over the first quarter 2009 was due to stronger demand in consumer electronics applications including handsets and magnetic head. A portion of this increase in demand is related to replenishment of customer inventory levels throughout the supply chain. Sales to the medical market slightly declined in the second quarter as compared to the first quarter of 2009 but are anticipated to increase over the remainder of the year.

Sales of ruthenium media targets in the second quarter and first half of the year remained weak. However, progress in the re-qualification of materials with key customers has continued and it is anticipated that as the data storage market recovers the Company will have an opportunity to regain some of the market share lost in 2008.

A portion of the operating profit improvement in the second quarter versus the first quarter of 2009 is due to the cost savings initiatives implemented.

*Specialty Engineered Alloys*

Specialty Engineered Alloys' sales for the second quarter were $41.2 million, compared to the second quarter of 2008 sales of $83.0 million. Year-to-date sales were $78.1 million as compared to first half 2008 sales of $154.3 million. The operating loss for the second quarter was $9.3 million as compared to an operating profit of $4.8 million for the second quarter of 2008. The operating loss for the first half of 2009 was $20.2 million compared to the first half 2008 operating profit of $5.5 million.

The substantial decline in sales for the second quarter and first half of the year as compared to the same periods last year was primarily due to the effect of the severe global recession on key markets including telecommunications and computer, automotive electronics, oil and gas, aerospace and heavy equipment. A portion of the decline is due to lower metal prices. Demand increased in the second quarter for handset applications, particularly in Asia.

The operating loss for the second quarter and first six months was due primarily to the significantly lower sales volume, manufacturing inefficiencies and machine utilization rates associated with the lower volumes. Cost reduction initiatives including headcount reductions, reduced work hours and wage reductions reduced the amount of the losses.

*Beryllium and Beryllium Composites*

Beryllium and Beryllium Composites' sales for the second quarter of 2009 were $13.1 million compared to second quarter 2008 sales of $14.7 million. For the first six months of the year, sales were $26.1 million in 2009 compared to $28.1 million for the same period last year. Operating profit for the second quarter was $1.0 million versus $2.3 million for the second quarter of 2008. Operating profit for the first six months of 2009 was $2.9 million compared to $2.6 million for the first half of 2008.

Growth in sales for defense for the second quarter and first half of 2009 was more than offset by softer demand for commercial and scientific product applications.

Operating profit for the second quarter and first half of the year as compared to the same periods last year was affected by the differences in sales volume and product mix.

*Engineered Material Systems*

Engineered Material Systems' sales for the second quarter of 2009 were $7.5 million as compared to the second quarter of 2008 sales of $19.6 million. Sales for the first six months of 2009 were $12.9 million compared to the first half 2008 sales of $37.3 million. The operating loss in the second quarter was $0.8 million compared to an operating profit of $2.0 million for the second quarter of 2008. The operating loss for the first six months of 2009 was $3.5 million as compared to the first half 2008 operating profit of $3.4 million.

The decline in sales for the second quarter and first six months is due to the effect of the severe global recession on key markets including telecommunications and computer, data storage and automotive electronics. Sales for the second quarter were up 39% over the first quarter 2009 sales as a result of increased demand for disk drive arm product applications. The growth in the second quarter as compared to the first quarter of 2009 is due to new product applications.

The operating loss for the second quarter and first half is due to the substantially lower sales volume offset in part by cost reductions.

## OUTLOOK

As the Company previously reported, while it did experience significant widespread weakness and an environment with limited visibility across the majority of its markets throughout the first quarter, the level of overall business activity began to improve as the first quarter ended and the second quarter began. The improving trend has continued throughout the second quarter and into the beginning of the third quarter.

Overall, the Company is seeing improvement in its order entry, driven primarily by the consumer electronics-oriented markets. Certain of its other markets, especially the industrial markets, have, however, not shown any significant signs of improvement and the medical and defense markets, which remained strong throughout the first half, have recently shown some signs of modest weakness.

While it is difficult in this environment to clearly envision future trends, the Company at this time does expect third quarter sales to improve from second quarter levels and be in the range of $180.0 million to $190.0 million. The higher sales volume and additional impact from the cost reduction activities should result in a further improvement in performance in the third quarter. The Company, therefore, expects to generate a slight profit in the third quarter.

It is important to continue to reiterate that the Company's outlook is subject to significant variability, especially given the current economic environment. Changes in demand levels, metal price changes, metal supply conditions, new product qualification and ramp-up rates, swings in customer inventory levels, changes in the financial health of key customers and other factors can have a significant effect on actual results. The outlook provided above is based on the Company's best estimates at this time and is subject to significant fluctuations due to these as well as other factors.

## CHAIRMAN'S COMMENTS

Richard Hipple, Chairman, President and CEO, stated, "I am pleased with the progress we made in the second quarter. The Company's leadership and workforce responded quickly and effectively to the challenges brought on by the global recession. The decisive actions taken led to improved operating margins in the quarter. We ended the quarter with higher cash and lower debt, improving further what was already a strong balance sheet while pressing on with our initiatives to create new revenue streams and extend our market positions. The strong balance sheet provides the ability to both continue to weather the downturn and take advantage of opportunities, such as acquisitions and business augmentations as they may arise."

## CONFERENCE CALL

Brush Engineered Materials' quarterly earnings conference call will be held today at 11:00 a.m. Eastern Time. The conference call will be available via webcast through the Company's website at *www.beminc.com*or through *www.InvestorCalendar.com*. By phone, please dial (877) 407-8033, callers outside the U.S. can dial (201) 689-8033.

## FORWARD-LOOKING STATEMENTS

Portions of the narrative set forth in this document that are not statements of historical or current facts are forward-looking statements. Our actual future performance may materially differ from that contemplated by the forward-looking statements as a result of a variety of factors. These factors include, in addition to those mentioned elsewhere herein:

- The global and domestic economies, including the uncertainties related to the impact of the current global financial crisis;
- The condition of the markets in which we serve, whether defined geographically or by segment, with the major market segments being telecommunications and computer, data storage, aerospace and defense, automotive electronics, industrial components, appliance and medical;
- Changes in product mix and the financial condition of customers;
- Actual sales, operating rates and margins for the third quarter and the year 2009;
- The successful implementation of cost reduction initiatives;
- Our success in developing and introducing new products and new product ramp- up rates, especially in the media market;
- Our success in passing through the costs of raw materials to customers or otherwise mitigating fluctuating prices for those materials, including the impact of fluctuating prices on inventory values;
- Our success in integrating newly acquired businesses;

- Our success in implementing our strategic plans and the timely and successful completion of any capital projects;
- The availability of adequate lines of credit and the associated interest rates;
- Other financial factors, including cost and availability of raw materials (both base and precious metals), tax rates, exchange rates, interest rates, metal financing fees, pension costs and required cash contributions and other employee benefit costs, energy costs, regulatory compliance costs, the cost and availability of insurance, and the impact of the Company's stock price on the cost of incentive and deferred compensation plans;
- The uncertainties related to the impact of war and terrorist activities;
- Changes in government regulatory requirements and the enactment of new legislation that impacts our obligations and operations;
- The conclusion of pending litigation matters in accordance with our expectation that there will be no material adverse effects; and
- The risk factors set forth in Part I, Item 1A of the Company's Form 10-K for the year ended December 31, 2008.

Brush Engineered Materials Inc. is headquartered in Mayfield Hts., Ohio. The Company, through its wholly-owned subsidiaries, supplies worldwide markets with beryllium products, alloy products, electronic products, precious metal products, and engineered material systems.

**Brush Engineered Materials Inc.**

**Digest of Earnings**

**July 3, 2009**

| | 2009 | 2008 |
|---|---|---|
| **Second Quarter** | | |
| **Net Sales** | $174,134,000 | $246,584,000 |
| **Net Income** | ($785,000) | $7,158,000 |
| **Share Earnings - Basic** | ($0.04) | $0.35 |
| **Average Shares - Basic** | 20,186,000 | 20,399,000 |
| **Share Earnings - Diluted** | ($0.04) | $0.35 |
| **Average Shares - Diluted** | 20,186,000 | 20,653,000 |
| **Year-to-date** | | |
| **Net Sales** | $309,493,000 | $472,931,000 |
| **Net Income** | ($8,930,000) | $11,754,000 |
| **Share Earnings - Basic** | ($0.44) | $0.58 |
| **Average Shares - Basic** | 20,159,000 | 20,394,000 |
| **Share Earnings - Diluted** | ($0.44) | $0.57 |
| **Average Shares - Diluted** | 20,159,000 | 20,626,000 |

*Consolidated Balance Sheets*
(Unaudited)

| (Dollars in thousands) | July 3, 2009 | Dec. 31, 2008 |
|---|---|---|
| **Assets** | | |
| **Current assets** | | |
| Cash and cash equivalents | $ 21,042 | $ 18,546 |
| Accounts receivable | 74,114 | 87,878 |
| Other receivables | 4,639 | 3,378 |
| Inventories | 132,939 | 156,718 |
| Prepaid expenses | 26,406 | 23,660 |
| Deferred income taxes | 8,120 | 4,199 |
| Total current assets | 267,260 | 294,379 |
| Other assets | 32,228 | 34,444 |
| Related-party notes receivable | 98 | 98 |
| Long-term deferred income taxes | 9,945 | 9,944 |
| Property, plant and equipment | 643,376 | 635,266 |
| Less allowances for depreciation, depletion and amortization | 438,412 | 428,012 |
| | 204,964 | 207,254 |
| Goodwill | 35,778 | 35,778 |
| | $ 550,273 | $ 581,897 |
| **Liabilities and Shareholders' Equity** | | |
| **Current liabilities** | | |
| Short-term debt | $ 26,869 | $ 30,622 |
| Current portion of long-term debt | 600 | 600 |
| Accounts payable | 22,927 | 28,014 |
| Other liabilities and accrued items | 30,658 | 45,131 |
| Unearned revenue | 2,062 | 113 |
| Total current liabilities | 83,116 | 104,480 |
| Other long-term liabilities | 29,695 | 19,356 |
| Retirement and post-employment benefits | 81,412 | 97,168 |
| Long-term income taxes | 3,029 | 3,028 |
| Deferred income taxes | 770 | 163 |
| Long-term debt | 10,905 | 10,605 |
| Shareholders' equity | 341,346 | 347,097 |
| | $ 550,273 | $ 581,897 |

See notes to consolidated financial statements.

*Consolidated Statements of Income*
(Unaudited)

| | Second Quarter Ended | | First Half Ended | |
|---|---|---|---|---|
| (Dollars in thousands except share and per share amounts) | July 3, 2009 | June 27, 2008 | July 3, 2009 | June 27, 2008 |

| | | | | |
|---|---|---|---|---|
| **Net sales** | **$ 174,134** | **$ 246,584** | **$ 309,493** | **$ 472,931** |
| **Cost of sales** | **152,000** | **201,945** | **272,757** | **391,334** |
| **Gross margin** | **22,134** | **44,639** | **36,736** | **81,597** |
| **Selling, general and administrative expense** | **20,694** | **28,294** | **43,239** | **55,023** |
| **Research and development expense** | **1,526** | **1,644** | **3,220** | **3,141** |
| **Other-net** | **1,474** | **3,089** | **3,230** | **3,850** |
| **Operating (loss) profit** | **(1,560)** | **11,612** | **(12,953)** | **19,583** |
| **Interest expense - net** | **271** | **649** | **597** | **985** |
| **Income (loss) before income taxes** | **(1,831)** | **10,963** | **(13,550)** | **18,598** |
| **Income tax (benefit) expense** | **(1,046)** | **3,805** | **(4,620)** | **6,844** |
| **Net (loss) income** | **$ (785)** | **$ 7,158** | **$ (8,930)** | **$ 11,754** |
| **Per share of common stock: basic** | **$ (0.04)** | **$ 0.35** | **$ (0.44)** | **$ 0.58** |
| **Weighted average number of common shares outstanding** | **20,186,000** | **20,399,000** | **20,159,000** | **20,394,000** |
| **Per share of common stock: diluted** | **$ (0.04)** | **$ 0.35** | **$ (0.44)** | **$ 0.57** |
| **Weighted average number of common shares outstanding** | **20,186,000** | **20,653,000** | **20,159,000** | **20,626,000** |

**See notes to consolidated financial statements.**

***Consolidated Statements of Cash Flows***
**(Unaudited)**

| (Dollars in thousands) | **First Half Ended July 3, 2009** | **June 27, 2008** |
|---|---|---|
| **Net (loss) income** | $ (8,930) | $ 11,754 |
| **Adjustments to reconcile net (loss) income to net cash provided from operating activities:** | | |
| Depreciation, depletion and amortization | 14,455 | 14,508 |
| Amortization of mine costs | 1,896 | 2,763 |
| Amortization of deferred financing costs in interest expense | 209 | 177 |
| Derivative financial instrument ineffectiveness | - | 163 |
| Stock-based compensation expense | 1,630 | 2,460 |
| **Changes in assets and liabilities net of acquired assets and liabilities:** | | |
| Decrease (increase) in accounts receivable | 12,446 | (15,152) |
| Decrease (increase) in other receivables | (1,261) | 11,263 |
| Decrease (increase) in inventory | 23,017 | (9,710) |
| Decrease (increase) in prepaid and other current assets | 1,199 | (1,455) |
| Decrease (increase) in deferred income taxes | (3,405) | 14 |
| Increase (decrease) in accounts payable and accrued expenses | (18,686) | (8,166) |
| Increase (decrease) in unearned revenue | 1,950 | (2,065) |
| Increase (decrease) in interest and taxes payable | (314) | (1,144) |
| Increase (decrease) in long-term liabilities | (13,769) | 1,336 |
| Other - net | 1,286 | (566) |
| **Net cash provided from operating activities** | 11,723 | 6,180 |

| | | |
|---|---|---|
| Cash flows from investing activities: | | |
| Payments for purchase of property, plant and equipment | (16,054) | (14,637) |
| Payments for mine development | (386) | (152) |
| Reimbursements for capital equipment under government contracts | 10,169 | 4,125 |
| Payments for purchase of business net of cash received | - | (87,462) |
| Proceeds from sale of acquired inventory to consignment | - | 24,325 |
| Other investments - net | 21 | 66 |
| **Net cash used in investing activities** | (6,250) | (77,860) |
| | | |
| Cash flows from financing activities: | | |
| Proceeds from issuance (repayment) of short-term debt | (3,336) | 10,414 |
| Proceeds from issuance of long-term debt | 8,300 | 40,900 |
| Repayment of long-term debt | (8,000) | - |
| Issuance of common stock under stock option plans | 157 | 174 |
| Tax benefit from exercise of stock options | 11 | 28 |
| **Net cash (used in) provided from financing activities** | (2,868) | 51,516 |
| Effects of exchange rate changes | (109) | (528) |
| **Net change in cash and cash equivalents** | 2,496 | (16,567) |
| **Cash and cash equivalents at beginning of period** | 18,546 | 31,730 |
| **Cash and cash equivalents at end of period** | $ 21,042 | $ 15,163 |

**See notes to consolidated financial statements.**

**Notes to Consolidated Financial Statements**
**(Unaudited)**

**Note A - Accounting Policies**

In management's opinion, the accompanying consolidated financial statements contain all adjustments necessary to present fairly the financial position as of July 3, 2009 and December 31, 2008 and the results of operations for the second quarter and first half ended July 3, 2009 and June 27, 2008. Sales and income before income taxes were reduced in the first quarter 2008 by $2.6 million to correct a billing error that occurred in 2007 that was not material to the 2007 results. All other adjustments were of a normal and recurring nature.

Management has evaluated subsequent events that occurred through August 11, 2009, the date the financial statements were issued. During this period, there were no recognized subsequent events requiring recognition in the financial statements and no non-recognized subsequent events requiring disclosure.

**Note B - Inventories**

| (Dollars in thousands) | **July 3, 2009** | **Dec. 31, 2008** |
|---|---|---|
| Principally average cost: | | |
| Raw materials and supplies | **$ 35,052** | **$ 41,468** |
| Work in process | **128,988** | **139,552** |
| Finished goods | **36,347** | **50,579** |
| Gross inventories | **200,387** | **231,599** |
| | | |
| Excess of average cost over LIFO inventory value | **67,448** | **74,881** |
| Net inventories | **$ 132,939** | **$ 156,718** |

**Note C - Pensions and Other Post-retirement Benefits**

As a result of a significant reduction in force, management determined that there was a curtailment of the domestic defined benefit pension plan in the first quarter 2009 in accordance with Statement No. 88, "Employers' Accounting for Settlements and Curtailments of Defined Benefit Pension Plans and for Termination Benefits".

The plan assets and liabilities were remeasured as of the curtailment date of February 28, 2009. As part of the remeasurement, management reviewed the key assumptions and determined that the discount rate should be increased to 6.80% from the 6.15% rate assumed at December 31, 2008. The revised rate was determined using the same methodology as was employed at year-end 2008. All other key assumptions, including the expected rate of return on assets, remained unchanged from December 31, 2008.

The curtailment reduced the annual expense for 2009 on the domestic plan from a previously estimated $5.3 million to $4.3 million. In addition, the curtailment resulted in the recording of a $1.1 million one-time benefit in the first quarter 2009 as a result of applying the percentage reduction in the estimated future working lifetime of the plan participants against the unrecognized prior service cost benefit. Cost of sales was reduced by $0.8 million and selling, general and administrative expense was reduced by $0.3 million from the recording of the one-time benefit.

The Company made contributions totaling $14.0 million to the defined benefit pension plan in the first half of 2009 as expected.

The following is a summary of the second quarter and first half 2009 and 2008 net periodic benefit cost for the domestic defined benefit pension plan and the domestic retiree medical plan.

| | **Pension Benefits** | | **Other Benefits** | |
|---|---|---|---|---|
| | **Second Quarter Ended** | | **Second Quarter Ended** | |
| (Dollars in thousands) | **July 3, 2009** | **June 27, 2008** | **July 3, 2009** | **June 27, 2008** |
| **Components of net periodic benefit cost** | | | | |
| Service cost | **$ 1,067** | **$ 1,270** | **$ 72** | **$ 76** |
| Interest cost | **2,164** | **1,976** | **482** | **532** |
| Expected return on plan assets | **(2,445)** | **(2,180)** | **-** | **-** |
| Amortization of prior service cost | **(135)** | **(161)** | **(9)** | **(9)** |
| Amortization of net loss | **375** | **294** | **-** | **-** |
| Net periodic benefit cost | **$ 1,026** | **$ 1,199** | **$ 545** | **$ 599** |

| | **Pension Benefits** | | **Other Benefits** | |
|---|---|---|---|---|
| | **First Half Ended** | | **First Half Ended** | |
| (Dollars in thousands) | **July 3, 2009** | **June 27, 2008** | **July 3, 2009** | **June 27, 2008** |
| **Components of net periodic benefit cost** | | | | |
| Service cost | **$ 2,182** | **$ 2,540** | **$ 145** | **$ 152** |
| Interest cost | **4,157** | **3,952** | **964** | **1,063** |
| Expected return on plan assets | **(4,617)** | **(4,360)** | | |
| Amortization of prior service cost | **(278)** | **(322)** | **(18)** | **(18)** |
| Amortization of net loss | **809** | **589** | **-** | **-** |
| Curtailment Gain | **(1,069)** | **-** | **-** | **-** |

| | | | | |
|---|---|---|---|---|
| Net periodic benefit cost | **$ 1,184** | **$ 2,399** | **$ 1,091** | **$ 1,197** |

**Note D - Segment Reporting**

Segment information for 2008 has been recast to include Zentrix Technologies Inc. in the Advanced Material Technologies and Services segment. Zentrix's results previously were reported in All Other. Beginning in 2009, Zentrix is being managed by Advanced Material Technologies and Services and is included with that segment's financial results in the Company's internal reporting.

| (Dollars in thousands) | Advanced Material Technologies and Services | Specialty Engineered Alloys | Beryllium and Beryllium Composites | Engineered Material Systems | Subtotal | All Other | Total |
|---|---|---|---|---|---|---|---|
| Second Quarter 2009 | | | | | | | |
| Revenues from external customers | $ 112,273 | $ 41,239 | $ 13,123 | $ 7,499 | $174,134 | $ - | $174,134 |
| Intersegment revenues | 50 | 470 | 26 | 185 | 731 | - | 731 |
| Operating profit (loss) | 8,390 | (9,280) | 1,035 | (819) | (674) | (886) | (1,560) |
| Second Quarter 2008 | | | | | | | |
| Revenues from external customers | $ 129,270 | $ 83,029 | $ 14,711 | $ 19,574 | $246,584 | $ - | $246,584 |
| Intersegment revenues | 503 | 1,125 | 170 | 416 | 2,214 | - | 2,214 |
| Operating profit (loss) | 5,048 | 4,750 | 2,346 | 2,003 | 14,147 | (2,535) | 11,612 |
| First Half 2009 | | | | | | | |
| Revenues from external customers | $ 192,344 | $ 78,132 | $ 26,113 | $ 12,904 | $309,493 | $ - | $309,493 |
| Intersegment revenues | 175 | 1,275 | 78 | 543 | 2,071 | - | 2,071 |
| Operating profit (loss) | 9,095 | (20,193) | 2,859 | (3,450) | (11,689) | (1,264) | (12,953) |
| Assets | 208,971 | 205,947 | 59,383 | 18,590 | 492,891 | 57,382 | 550,273 |
| First Half 2008 | | | | | | | |
| Revenues from external customers | $ 253,270 | $ 154,326 | $ 28,075 | $ 37,260 | $472,931 | $ - | $472,931 |
| Intersegment revenues | 897 | 3,194 | 293 | 751 | 5,135 | - | 5,135 |
| Operating profit (loss) | 10,520 | 5,454 | 2,573 | 3,365 | 21,912 | (2,329) | 19,583 |
| Assets | 255,004 | 255,384 | 43,981 | 28,117 | 582,486 | 33,098 | 615,584 |

SOURCE: Brush Engineered Materials Inc.

Brush Engineered Materials Inc.
Investors:
Michael C. Hasychak, 216-383-6823

or
Media:
Patrick S. Carpenter, 216-383-6835
or
http://www.beminc.com
Mayfield Hts-g

Copyright Business Wire 2009