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AGY Announces Additional Expansion of S-2 Glass® Manufacturing Capacity

AIKEN, S.C., April 5, 2005 – In response to continued growth in the use of high performance glass fibers for composite reinforcement, AGY has increased previously announced capacity expansion plans for manufacturing *S-2 Glass* products. Upon completion in July 2005, total capacity for production of *S-2 Glass* reinforcements will have been increased by 35 percent during an 18-month period.

In October 2004, AGY announced a total increase in capacity of 25%. Since that time, adjustments of an additional 10% have been made to the expansion plans, and the overall project timing has been brought forward about 6 months, as AGY continues to respond to the changing market demands.

The standard for high strength, high performance glass fiber reinforcements, *S-2 Glass* has provided outstanding performance across many applications served by the global composites market.

“AGY has maintained a steady supply of the product to the market, taking steps along the way to increase capacity as required by the market and to fuel the product development pipeline,” said Doug Mattscheck, AGY President and Chief Executive Officer. “Leveraging our existing manufacturing assets and the flexible scalability of our production platform will allow AGY to continue to meet the increasing needs in the market.

“In addition to the current expansion plans, AGY has launched a more strategic project to examine the mid- to long-term need for high performance reinforcements – and specifically *S-2 Glass* products – in the composites market,” added Mattscheck. “The expected outcome of this effort is a consolidated expansion plan geared toward exceeding the needs of the market and of the aggressive growth agenda AGY has outlined for the coming years.”

Originally developed for military applications in the 1960s, *S-2 Glass* was first introduced to the commercial market in 1968. Initially compatible with epoxy resins, the product’s compatibility has been expanded to include thermoplastics, polyesters and vinyl ester resins. The high-strength, high-performance product is used in a variety of markets including aerospace, defense, marine and recreation. The product is made exclusively by AGY.

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S-2 Glass has tensile strength that exceeds that of standard-modulus carbon fiber as well as most grades of aramid fiber. S-2 Glass has impact strength similar to aramid fiber and its elongation-to-break performance is 5.7 percent compared to aramid's 2.8 percent and carbon's 1.5 percent, meaning that S-2 Glass will give significantly under strain before failure.

AGY is a leading global producer of fiberglass yarns and high strength fiberglass reinforcements used in a wide variety of composites applications. Headquartered in Aiken, S.C. (USA), AGY has a European office in Lyon, France, and manufacturing facilities in Aiken, S.C., and Huntingdon, Pa. Additional information may be found at the company's website, www.agy.com, or by email at info@agy.com

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