

Contact: Kris Jommersbach
Gemini Communications
610-935-1633
krisj@geminiinc.com

AGY Expands S-2 Glass[®] Manufacturing Capacity By Fifty Percent

AIKEN, SC — (October 23, 2007) — AGY announced today that it has increased production capacity of its *S-2 Glass*[®] fiber reinforcements by fifty percent with the capability to easily expand even further in a rapid fashion. The opening of a new manufacturing facility dedicated to the production of *S-2 Glass* fibers puts AGY firmly on target to meet the overwhelming growth in both the defense and aerospace markets for high-performance glass fibers for composite reinforcement. By increasing its production capacity, AGY expects to ship a record amount of *S-2 Glass* fiber reinforcements in 2008, breaking previous records set in 2005, 2006 and 2007.

A key application fueling the demand for *S-2 Glass* fibers is the urgent need to upgrade the armor on military vehicles, which are a prime target for improvised explosives and roadside bombs in Iraq and Afghanistan. “Given the overwhelming success of *S-2 Glass* in composite armor for military vehicle programs such as the Humvee and mine resistant ambush protected (MRAP) vehicles, we have expanded our production capacity to meet the threat to personnel and equipment from enemy improvised explosive devices (IEDs) and explosively formed projectiles (EFPs),” said Drew Walker, AGY Vice President of Sales and Marketing. “With this significant increase in output, we are confident in our ability to stay ahead of the needs of the market for *S-2 Glass* reinforcements.”

Originally developed for military applications in the 1960’s, *S-2 Glass* was first introduced to the commercial market in 1968. AGY offers grades of *S-2 Glass* fiber products that are designed to be compatible with epoxies, polyesters, vinyl esters, rubber as well as

-- more --

many thermoplastic resins. *S-2 Glass* has tensile strength that exceeds that of standard-modulus carbon fiber as well as most grades of aramid fiber. Its high strain-to-failure of 5.7 percent (compared to aramid's 2.8 percent and carbon's 1.5 percent) results in an exceptional ability to withstand ballistic and other impact events. *S-2 Glass* fiber products are made exclusively by AGY.

For more information about *S-2 Glass* fibers, please call 888-434-0945, or visit our website at www.agy.com.

#

About AGY

AGY is a leading global producer of fiberglass yarns and high-strength fiberglass reinforcements used in a variety of composites applications. The company serves a diverse range of markets including aerospace and defense, electronics, construction and industrial. Headquartered in Aiken, South Carolina USA, AGY has a European office in Lyon, France and manufacturing facilities in the U.S. in Aiken, South Carolina and Huntingdon, Pennsylvania.