

ORMET COMPLETES FINANCIAL REORGANIZATION, EXITS CHAPTER 11

WHEELING, W. Va., April 1, 2005 – Ormet Corporation today announced that it has successfully completed its Chapter 11 financial reorganization and exited from bankruptcy.

Michael Williams, Ormet's chief executive officer, said: "This is an important day for Ormet, and for our customers, suppliers and employees. In just over a year we have completed a financial reorganization that some said couldn't be done. We have emerged with a clean and strong balance sheet, a loyal and dedicated management team, a new ownership structure and, most importantly, the continuing support of our customers and suppliers. I am particularly proud that, despite the financial and operational challenges facing us over the past year, we have continued to meet our customer commitments and our post-petition obligations to our suppliers. We will continue to do everything possible to finally resolve our labor issues, get our hourly employees back on the job, and enable all the members of the Ormet organization to realize the full benefit of our successful financial reorganization."

Ormet filed for Chapter 11 protection on January 30, 2004, in the U.S. Bankruptcy Court for the Southern District of Ohio, in response to a number of factors including sustained low metal prices, weak demand and overcapacity in flat-rolled products, high energy costs and skyrocketing medical benefit costs, all of which impacted the Company's ability to service its debt. While some of these challenges—in particular, high medical benefit and energy costs—continue, Ormet was able to develop and, in December 2004, win creditor and court approval for its Plan of Reorganization, which will now be immediately and fully implemented.

Under the Plan, Ormet has emerged from Chapter 11 with a clean and strong balance sheet, including \$180 million of exit financing, its existing management team headed by Michael Williams as chief executive officer, and a new ownership group composed of former creditors and led by MatlinPatterson Global Opportunities Partners II, a private investment entity. The exit financing will consist of a \$150 million revolving credit facility provided by a syndicate of lenders led by Bank of America; this facility will be used to retire the debtor-in-possession financing provided by General Electric Capital Corporation. A \$30 million term loan led by MatlinPatterson will complete the package.

Ormet Corporation employs approximately 2,000 people through its subsidiaries, principally including Ormet Primary Aluminum Corporation and Ormet Aluminum Mill Products Corporation. The Company operates facilities in four states and produces high-quality aluminum products for the fabrication, extrusion and conversion markets.

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