ALLEGHENY TECHNOLOGIES INC
Form 424B2
January 05, 2011

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Filed Pursuant to Rule 424(b)(2)
Registration No. 333-159479

CALCULATION OF REGISTRATION FEE

Title of each class of securities offered	Amount to be registered	Maximum offering price per unit	Maximum aggregate offering price	Amount of registration fee(1)
5.950% Senior Notes due 2021	$500,000,000	100%	$500,000,000	$58,050

(1) The filing fee of $58,050 is calculated in accordance with Rule 457(r) of the Securities Act of 1933, as amended.

Prospectus supplement
(To Prospectus dated May 26, 2009)

Allegheny Technologies Incorporated
$500,000,000
5.950% Senior Notes due 2021

Interest payable January 15 and July 15

Issue price: 99.886%

We are offering $500,000,000 aggregate principal amount of our 5.950% Senior Notes due 2021 (the notes). The notes will mature on January 15, 2021. Interest will accrue from January 7, 2011, and the first interest payment date will be July 15, 2011.

We may redeem the notes in whole or in part at any time at the applicable redemption prices set forth under Description of the notes Optional redemption. We must redeem fifty percent (50%) of the aggregate principal amount of the outstanding notes on a pro rata basis under the circumstances and at the redemption price described in this prospectus supplement in Description of the notes Special mandatory redemption. We must offer to repurchase the notes upon the occurrence of a change of control triggering event at the price described in this prospectus supplement in Description of the notes Purchase of notes upon a change of control repurchase event.

The notes will be our senior unsecured obligations, ranking equally in right of payment with all of our existing and future senior unsecured indebtedness and senior to our future subordinated indebtedness. The notes will be effectively subordinated to our existing and future secured indebtedness to the extent of the value of the assets securing that indebtedness and to the existing and future indebtedness and other liabilities of our subsidiaries. We conduct a significant portion of our business through our subsidiaries. None of our subsidiaries will guarantee the notes.

You should read this prospectus supplement and the accompanying prospectus carefully before you invest in our notes. Investing in our notes involves a high degree of risk. See Risk factors beginning on page S-8 for a discussion of certain risks that you should consider in connection with an investment in the notes.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these notes or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus.

Any representation to the contrary is a criminal offense.

	Public offering price[(1)]	Underwriting discounts and commissions	Proceeds, before expenses, to us[(1)]
Per note	99.886%	0.650%	99.236%
Total	$ 499,430,000	$ 3,250,000	$ 496,180,000

(1) Plus accrued interest, if any, from January 7, 2011.

The notes will not be listed on any securities exchange or automated quotation system.

We expect that delivery of the notes will be made to investors in book-entry form through The Depository Trust Company for the accounts of its participants, including Clearstream Banking, *société anonyme*, and Euroclear Banking, S.A./N.V., on or about January 7, 2011.

Joint Book-Running Managers

J.P. Morgan **Citi** **Morgan Stanley** **BofA Merrill Lynch**

Co-Managers

BNY Mellon Capital Markets, LLC **Credit Suisse** **HSBC**
PNC Capital Markets LLC **Wells Fargo Securities**

January 4, 2011

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This prospectus supplement is part of a registration statement that we have filed with the Securities and Exchange Commission, or the SEC, utilizing a shelf registration process. This prospectus supplement relates to the offer and sale of the notes.

In making your investment decision, you should rely only on the information contained or incorporated by reference in this prospectus supplement. We and the underwriters have not authorized anyone to provide you with any other information. If you receive any other information, you should not rely on it.

We and the underwriters are offering to sell the notes only in places where offers and sales are permitted.

You should not assume that the information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus is accurate as of any date other than its date or that the information incorporated by reference in this prospectus supplement is accurate as of any date other than the date of the incorporated document. Neither the delivery of this prospectus supplement nor any sale made hereunder shall under any circumstances imply that the information herein is correct as of any date subsequent to the date on the cover of this prospectus supplement.

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We are a Delaware corporation. Our principal executive offices are located at 1000 Six PPG Place, Pittsburgh, PA, 15222-5479 and our telephone number at that address is (412) 394-2800. Our website is located at *http://www.ATImetals.com*. Our website and the information contained on our website are not part of this prospectus supplement, and you should rely only on the information contained or incorporated by reference in this prospectus supplement when making a decision as to whether to invest in the notes.

Except as otherwise stated and unless the context otherwise requires, references in this prospectus supplement to Allegheny Technologies, ATI, we, our, us and similar terms refer to Allegheny Technologies Incorporated and i subsidiaries; references to Ladish refer to Ladish Co., Inc. and its subsidiaries; and references to the Proposed Acquisition refer to our pending acquisition of Ladish. References to underwriters refer to the firms listed on the cover page of this prospectus supplement.

Cautionary statement regarding forward-looking statements

You should carefully review the information contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus. In this prospectus supplement and the accompanying prospectus, statements that are not reported financial results or other historical information are forward-looking statements. Forward-looking statements give current expectations or forecasts of future events and are not guarantees of future performance. They are based on our management s expectations that involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in or implied by the forward-looking statements.

You can identify these forward-looking statements by the fact that they do not relate strictly to historic or current facts. They use words such as anticipates, believes, estimates, expects, would, should, will, will likely re outlook, projects, and similar expressions in connection with any discussion of future operating or financial performance.

We cannot guarantee that any forward-looking statements will be realized, although we believe that we have been prudent in our plans and assumptions. Achievement of future results is subject to risks, uncertainties and assumptions that may prove to be inaccurate. Among others, the factors discussed in the Risk Factors sections of our Annual Report on Form 10-K for our fiscal year ended December 31, 2009 and any of our subsequently filed Quarterly Reports on Form 10-Q could cause actual results to differ from those in forward-looking statements included in or incorporated by reference into this prospectus supplement and the accompanying prospectus or that we otherwise make. Important factors that could cause actual results to differ materially from those in the forward-looking statements include: (a) material adverse changes in economic or industry conditions generally and global supply and demand conditions and prices for our specialty metals; (b) material adverse changes in the markets we serve, including the aerospace and defense, construction and mining, automotive, electrical energy, chemical process industry, oil and gas, medical and other markets; (c) our inability to achieve the level of cost savings, productivity improvements, synergies, growth or other benefits anticipated by management, including those anticipated from the Proposed Acquisition (as described in this prospectus supplement) and other strategic investments and the integration of acquired businesses, whether due to significant increases in energy, raw materials or employee benefits costs, the possibility of project cost overruns or unanticipated costs and expenses, or other factors;

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(d) volatility of prices and availability of supply of the raw materials that are critical to the manufacture of our products; (e) declines in the value of our defined benefit pension plan assets or unfavorable changes in laws or regulations that govern pension plan funding; (f) significant legal proceedings or investigations adverse to us; (g) other risk factors summarized in our Annual Report on Form 10-K for the year ended December 31, 2009 and in other reports filed with the SEC. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove to be inaccurate, actual results could vary materially from those anticipated, estimated or projected. You should bear this in mind as you consider any forward-looking statements.

We undertake no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law. You are advised, however, to consider any additional disclosures that we may make on related subjects in future filings with the SEC. You should understand that it is not possible to predict or identify all factors that could cause our actual results to differ. Consequently, you should not consider any list of factors to be a complete set of all potential risks or uncertainties.

Where you can find more information

Available information

We file reports, proxy statements and other information with the SEC. These reports, proxy statements and other information that we file with the SEC can be read and copied at the SEC s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 to obtain further information on the operation of the Public Reference Room. The SEC maintains an internet site that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC, including us. The SEC s internet address is http://www.sec.gov. In addition, our common stock is listed on the New York Stock Exchange, and our reports and other information can be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005. Our Internet website is www.ATImetals.com. Information contained on our website is not part of, and should not be construed as being incorporated by reference into, this prospectus supplement and the accompanying prospectus.

Incorporation by reference

The SEC allows us to incorporate by reference information that we file with it. This means that we can disclose important information to you by referring you to other documents. Any information we incorporate in this manner is considered part of this prospectus supplement and the accompanying prospectus except to the extent updated and superseded by information contained in this prospectus supplement and the accompanying prospectus. Some information that we file with the SEC after the date of this prospectus supplement and until we sell all of the securities covered by this prospectus supplement will automatically update and supersede the information contained in this prospectus supplement and the accompanying prospectus.

We incorporate by reference the following documents that we have filed with the SEC and any filings that we make with the SEC in the future under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act), until we sell all of the securities covered by this prospectus supplement, including between the date of this prospectus supplement and the date on which the offering of the securities under this prospectus supplement is terminated, except as noted in the paragraph below:

Our SEC filings (File No. 1-12001)	**Period for or date of filing**
Annual Report on Form 10-K	Year ended December 31, 2009
Quarterly Reports on Form 10-Q	Quarters ended March 31, June 30, and September 30, 2010
Current Reports on Form 8-K	January 29, March 2, March 29, May 13, June 21, August 4, November 17, November 24, December 2 and December 29, 2010

Pursuant to General Instruction B of Form 8-K, any information submitted under Item 2.02, Results of Operations and Financial Condition, or Item 7.01, Regulation FD Disclosure, of Form 8-K is not deemed to be filed for the purpose of Section 18 of the Exchange Act, and we are not subject to the liabilities of Section 18 with respect to information submitted under Item 2.02 or Item 7.01 of Form 8-K. We are not incorporating by reference any information submitted under Item 2.02 or Item 7.01 of Form 8-K into any filing under the Securities Act of

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1933, as amended (the Securities Act) or the Exchange Act or into this prospectus supplement or the accompanying prospectus.

Statements contained in this prospectus supplement or the accompanying prospectus as to the contents of any contract, agreement or other document referred to in this prospectus supplement or the accompanying prospectus do not purport to be complete, and where reference is made to the particular provisions of that contract, agreement or other document, those references are qualified in all respects by reference to all of the provisions contained in that contract or other document. For a more complete understanding and description of each such contract, agreement or other document, we urge you to read the documents contained in the exhibits to the registration statement of which the accompanying prospectus is a part.

Any statement contained in a document incorporated by reference, or deemed to be incorporated by reference, into this prospectus supplement and the accompanying prospectus will be deemed to be modified or superseded for purposes of this prospectus supplement and the accompanying prospectus to the extent that a statement contained herein, therein or in any other subsequently filed document which also is incorporated by reference in this prospectus supplement and the accompanying prospectus modifies or supersedes that statement. Any such statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement and the accompanying prospectus.

We will provide without charge, upon written or oral request, a copy of any or all of the documents that are incorporated by reference into this prospectus supplement and the accompanying prospectus and a copy of any or all other contracts, agreements or documents which are referred to in this prospectus supplement or the accompanying prospectus. Requests should be directed to: Allegheny Technologies Incorporated, 1000 Six PPG Place, Pittsburgh, PA 15222-5479, Attention: Corporate Secretary; telephone number: (412) 394-2800. You also may review a copy of the registration statement and its exhibits at the SEC s Public Reference Room in Washington, D.C., as well as through the SEC s internet site.

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Summary

This summary highlights selected information contained or incorporated by reference in this prospectus supplement or the accompanying prospectus. Before making an investment decision, you should read carefully this entire prospectus supplement and the accompanying prospectus, including the documents incorporated by reference, the Risk factors section included in this prospectus supplement and the financial statements and related notes incorporated by reference herein.

Our company

We are one of the largest and most diversified specialty metals producers in the world. We use innovative technologies to offer global markets a wide range of specialty metals solutions. Our products include titanium and titanium alloys, nickel-based alloys and superalloys, zirconium, hafnium and niobium, stainless and specialty steel alloys, grain-oriented electrical steel, tungsten-based materials and cutting tools and carbon alloy impression die forgings and large grey and ductile iron castings. Our specialty metals are produced in a wide range of alloys and product forms and are selected for use in applications that demand metals having exceptional hardness, toughness, strength, resistance to heat, corrosion or abrasion, or a combination of these characteristics. Our specialty metals serve a range of end markets on a global basis, including aerospace and defense, the chemical process industry and oil and gas industry, electrical energy and medical device products. For the nine months ended September 30, 2010 and the year ended December 31, 2009, we generated total sales of $3.0 billion and $3.1 billion, respectively, and net income attributable to ATI of $55.6 million and $31.7 million, respectively, through three business segments: High Performance Metals, Flat-Rolled Products and Engineered Products.

High performance metals segment

Our High Performance Metals segment, which generated 33% and 43% of our total sales for the nine months ended September 30, 2010 and the year ended December 31, 2009, respectively, produces, converts and distributes a wide range of high performance alloys, including nickel- and cobalt-based alloys and superalloys, titanium and titanium-based alloys, exotic metals such as zirconium, hafnium, niobium, nickel-titanium, and their related alloys, and other specialty alloys, primarily in long product forms such as ingot, billet, bar, shapes and rectangles, rod, wire, seamless tube, and castings. We also produce nickel-based alloys and superalloys, titanium alloys, specialty metal powders and semi-finished near-net-shape products from these advanced powder alloys. We are integrated from raw materials (sponge) to melt, remelt and finish processing in our titanium and titanium alloys and zirconium and hafnium alloys products. The major end markets served by our High Performance Metals segment are aerospace and defense, oil and gas, chemical process industry, electrical energy and medical. Most of the products in our High Performance Metals segment are sold directly to end-use customers. A significant portion of our High Performance Metals segment products are sold under multi-year agreements.

Flat-rolled products segment

Our Flat-Rolled Products segment, which generated 58% and 49% of our total sales for the nine months ended September 30, 2010 and the year ended December 31, 2009, respectively, produces, converts and distributes stainless steel, nickel-based alloys and superalloys, titanium and titanium-based alloys and specialty alloys, in a variety of product forms, including plate, sheet, engineered strip and Precision Rolled Strip® products, as well as grain-oriented electrical steel sheet. The major end markets for our flat-rolled products are oil and gas, chemical process industry, electrical energy, automotive, food equipment and appliances, machine and cutting tools, construction and mining, aerospace and defense, and electronics, communication equipment and computers.

Engineered products segment

The principal business of our Engineered Products segment, which generated 9% and 8% of our total sales for the nine months ended September 30, 2010 and the year ended December 31, 2009, respectively, includes the production of tungsten powder, tungsten heavy alloys, tungsten carbide materials and tungsten carbide cutting tools. We are now integrated from the raw materials (ammonium paratungstate) to the manufacture of our tungsten-based products. The segment also produces carbon alloy steel impression die forgings and large grey and ductile iron castings, and it provides precision metals processing services.

The proposed acquisition of Ladish Co., Inc.

On November 16, 2010, we entered into an agreement and plan of merger with Ladish, which we refer to as the Merger Agreement, under which we agreed to acquire Ladish, which we refer to as the Proposed Acquisition, for consideration consisting of 0.4556 of a share of our common stock and $24.00 in cash for each outstanding share of Ladish common stock, representing an aggregate fully distributed equity value of approximately $778 million.

Ladish engineers, produces and markets high-strength, high-technology forged and cast metal components for a wide variety of load-bearing and fatigue-resisting applications in the jet engine, aerospace and industrial markets. According to Ladish s public filings with the SEC, approximately 88% of Ladish s 2009 revenues were derived from the sale of jet engine parts, missile components, landing gear, helicopter rotors and other aerospace products, and approximately 44% of Ladish s 2009 revenues were derived from sales, directly or through prime contractors, under U.S. government contracts or under contracts with allies of the U.S. government, primarily covering defense equipment.

Consummation of the Proposed Acquisition is subject to certain governmental and regulatory conditions and approvals, including under competition laws and regulations, and other customary conditions. In addition, the Merger Agreement must be adopted by Ladish s shareholders at a special meeting. We expect the Proposed Acquisition to close in the first quarter of 2011. There can be no assurance that the Proposed Acquisition will be completed.

The Merger Agreement is included as an exhibit to our Current Report on Form 8-K filed with the SEC on November 17, 2010, which is incorporated by reference into this prospectus supplement. The foregoing description of the Proposed Acquisition and the Merger Agreement is qualified in its entirety by reference to such exhibit. This offering is not conditioned upon the completion of the Proposed Acquisition.

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The offering

The following summary contains basic information about the notes and is not intended to be complete. For a more complete understanding of the notes, please refer to the section entitled Description of the notes in this prospectus supplement.

Issuer	Allegheny Technologies Incorporated.
Securities offered	$500 million aggregate principal amount of 5.950% Senior Notes due 2021.
Maturity date	Unless earlier redeemed or repurchased by us, the notes will mature on January 15, 2021.
Interest rate	5.950% per year.
Interest payment dates	January 15 and July 15, commencing July 15, 2011.
Optional redemption	We may redeem the notes, at our option, at any time in whole or from time to time in part prior to October 15, 2020 (three months prior to their maturity date), at a price equal to the greater of (i) 100% of the principal amount of the notes being redeemed or (ii) the sum of the present values of the remaining scheduled payments of principal and interest thereon (exclusive of interest accrued to the date of redemption) discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate, plus 40 basis points, in either case plus accrued interest on the principal amount being redeemed to the redemption date. On and after October 15, 2020 (three months prior to their maturity date), we may redeem the notes at our option, at any time in whole or from time to time in part, at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest on the principal amount of the notes being redeemed to such redemption date. See Description of the notes Optional redemption.
Special mandatory redemption	In the event that we do not consummate the Proposed Acquisition on or prior to June 30, 2011, or the Merger Agreement is terminated at any time prior thereto, we will redeem fifty percent (50%) of the aggregate principal amount of the outstanding notes on a pro rata basis on the special mandatory redemption date at a redemption price equal to 102% of the aggregate principal amount of the redeemed notes, subject to certain adjustments for interest payments due. See Description of the notes Special mandatory redemption.
Ranking	The notes will be our senior unsecured obligations and: will rank equally in right of payment with all of our existing and future senior unsecured indebtedness;

will rank senior in right of payment to all of our existing and future subordinated indebtedness;

will be effectively subordinated to any of our existing and future secured debt, to the extent of the value of the assets securing such debt; and

will be structurally subordinated to all of the existing and future liabilities (including trade payables) of each of our subsidiaries.

After giving effect to this offering, as of September 30, 2010, we would have had an aggregate of approximately $1,561.1 million of indebtedness outstanding.

Covenants

We will issue the notes under a senior indenture between us and The Bank of New York Mellon, as trustee. The senior indenture includes covenants that limit:

our ability and the ability of our domestic subsidiaries to create or permit liens;

our ability and the ability of our domestic subsidiaries to enter into sale and leaseback transactions;

the ability of our domestic subsidiaries to guarantee our indebtedness; and

our ability to consolidate or merge with or into other companies or sell all or substantially all of our assets.

These covenants will be subject to a number of important exceptions and qualifications described under Description of the notes Covenants and Description of the notes Merger, consolidation or sale of assets.

Absence of public market for the notes

The notes are a new issue of securities and there is currently no established trading market for the notes. We do not intend to apply for a listing of the notes on any securities exchange or an automated dealer quotation system. Accordingly, there can be no assurance as to the development or liquidity of any market for the notes. The underwriters have advised us that they currently intend to make a market in the notes. However, they are not obligated to do so, and any market making with respect to the notes may be discontinued without notice.

U.S. federal income tax considerations

Holders are urged to consult their own tax advisors with respect to the federal, state, local and foreign tax consequences of purchasing, owning and disposing of the notes. See Material U.S. federal income tax considerations.

Use of proceeds

We estimate that our net proceeds from this offering will be approximately $495.8 million after deducting underwriting discounts and commissions and estimated offering expenses.

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	We intend to use the net proceeds of this offering to finance the cash portion of the merger consideration to be paid in the Proposed Acquisition and pay related fees and expenses. Any additional net proceeds will be used for general corporate purposes. If the Proposed Acquisition is not completed for any reason, we intend to use a portion of the net proceeds of this offering to fund the mandatory redemption of fifty percent (50%) of the aggregate principal amount of the outstanding notes and intend to use the remaining net proceeds for general corporate purposes. Pending any such uses, we intend to invest the net proceeds in short-term interest-bearing accounts, securities or similar investments. See Use of proceeds.
Risk factors	In evaluating an investment in the notes, prospective investors should carefully consider, along with the other information in this prospectus supplement and accompanying prospectus, the specific factors set forth under Risk factors for risks involved with an investment in the notes.

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Summary consolidated financial data

We derived the summary consolidated financial data shown below as of December 31, 2007, 2008 and 2009 and for each of the years then ended from our audited consolidated financial statements and for the nine-month periods ended September 30, 2009 and 2010 from our unaudited consolidated financial statements. The unaudited financial statements from which we derived this data were prepared on the same basis as the audited consolidated financial data and include all adjustments, consisting only of normal recurring adjustments, necessary to present fairly our results of operations and financial condition as of the periods presented. The results of operations for interim periods are not necessarily indicative of the operating results for any future period. You should read the following financial information in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the related notes incorporated by reference in this prospectus supplement.

	Year ended December 31,			Nine months ended September 30,	
(dollars in millions)	**2007**	**2008**	**2009**	**2009**	**2010**
				(unaudited)	
Statement of income data:					
Sales:					
High Performance Metals	$ 2,067.6	$ 1,944.9	$ 1,300.0	$ 987.6	$ 988.5
Flat-Rolled Products	2,951.9	2,909.1	1,516.1	1,077.6	1,751.1
Engineered Products	433.0	455.7	238.8	174.0	270.6
Total sales	$ 5,452.5	$ 5,309.7	$ 3,054.9	$ 2,239.2	$ 3,010.2
Operating profit (loss):					
High Performance Metals	$ 729.1	$ 539.0	$ 234.7	$ 146.6	$ 194.3
Flat-Rolled Products	512.0	385.0	71.3	41.3	61.7
Engineered Products	32.1	20.9	(23.8)	(24.1)	12.5
Total operating profit	$ 1,273.2	$ 944.9	$ 282.2	$ 163.8	$ 268.5
Net income (loss) attributable to ATI	$ 747.1	$ 565.9	$ 31.7	$ (6.1)	$ 55.6
Balance sheet data (at end of period):					
Working capital	$ 1,544.7	$ 1,235.5	$ 1,373.0	$ 1,465.0	$ 1,450.3
Total assets	4,095.6	4,170.4	4,346.0	4,380.0	4,489.7
Long-term debt	507.3	494.6	1,037.6	1,050.4	1,039.2
Total debt	528.2	509.8	1,071.1	1,070.6	1,061.1
Cash and cash equivalents	623.3	469.9	708.8	826.3	443.3
Total stockholders equity	2,279.2	2,029.0	2,089.6	2,153.5	2,132.7
Cash flow information:					
Cash flow provided by (used in) operating activities	$ 701.5	$ 754.5	$ 218.5	$ 149.4	$ (63.9)
Cash flow used in investing activities	(451.7)	(513.9)	(453.7)	(302.6)	(132.4)
	(128.8)	(394.0)	474.1	509.6	(69.2)

Cash flow provided by (used in) financing activities					
Other Data:					
Ratio of earnings to fixed charges[(1)]	25.0x	19.4x	1.5x	0.7x	2.4x
EBITDA[(2)]	$ 1,257.0	$ 986.5	$ 197.5	$ 99.5	$ 209.1

(1) For purposes of calculating the ratio of earnings to fixed charges, earnings represents income before income tax provision (benefit) less income (loss) recognized on less than fifty percent owned persons, less the noncontrolling interest in pretax

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income of subsidiaries that have not incurred fixed charges, plus fixed charges less capitalized interest. Fixed charges consist of interest expense, the portion of rents deemed to be interest, capitalized interest and amortization of debt expense.

(2) We define EBITDA as income (loss) before income taxes plus depreciation and amortization. EBITDA is not a measure of financial performance under generally accepted accounting principles. EBITDA is not calculated in the same manner by all companies and, accordingly, is not necessarily comparable to similarly titled measures of other companies and may not be an appropriate measure of performance relative to other companies. We have presented EBITDA in this prospectus supplement solely as a supplemental disclosure because we believe it allows for a more complete analysis of our results of operations. We believe that EBITDA is useful to investors because EBITDA is commonly used to analyze companies on the basis of operating performance, leverage and liquidity. Furthermore, analogous measures are used by industry analysts to evaluate operating performance. EBITDA is not intended to be a measure of free cash flow for management s discretionary use, as it does not consider certain cash requirements such as interest payments, tax payments and capital expenditures. EBITDA is not intended to represent, and should not be considered more meaningful than, or as an alternative to, a measure of operating performance as determined in accordance with generally accepted accounting principles. This definition of EBITDA will differ from the amounts calculated under the definition of EBITDA that will be contained in our amended revolving credit facilities. **We do not intend to provide EBITDA information for future periods in earnings press releases, filings with the SEC or in response to inquiries.** EBITDA is calculated as follows:

(dollars in millions)	**Year ended December 31,**			**Nine months ended September 30,**	
	2007	**2008**	**2009**	**2009**	**2010**
Income before income taxes	$ 1,154.1				