Brush Engineered Materials Subsidiary Completes Acquisition of Barr Associates, Inc.

MAYFIELD HEIGHTS, Ohio, Oct 23, 2009 (BUSINESS WIRE) -- Brush Engineered Materials Inc. (NYSE:BW) announced today that the Company, through its wholly-owned subsidiary, Williams Advanced Materials Inc. (WAM), has acquired privately held Barr Associates, Inc.

The transaction, valued at approximately $55 million, was financed with internally generated cash and proceeds of approximately $25 million from the Company's $240 million revolving line of credit. The acquisition is expected to be accretive to earnings in 2010.

Based in Westford, Massachusetts, Barr Associates, Inc. has approximately 300 employees in three leased facilities in the Westford area.

Barr Associates is a leading manufacturer of precision thin film optical filters that enable complex technologies and components throughout the defense, aerospace, medical, energy, semiconductor, telecommunications, lighting and astronomy markets. Applications enabled by Barr Associates' technologies include high energy lasers, thermal imaging, night vision, environmental sensing, blood analysis, DNA sequencing, surveillance, targeting, and gas and fire detection.

Commenting on the acquisition, Dick Hipple, Brush Engineered Materials' Chairman, President and CEO, said, "We are excited to team Barr Associates with WAM. Bringing these highly complementary businesses together enhances our position and technology base in the high-growth, technically demanding thin film coatings and optical filters market segments. The addition of this business will provide a new source of revenue and margin contribution to our Company and synergies throughout the WAM organization. This acquisition continues the transformation of Brush Engineered Materials by further broadening our advanced materials technologies and product portfolio, and strengthens our foundation for future growth."

In recent years, the Company has made a number of strategic acquisitions to augment its thin film and coatings capabilities, including the purchase of Thin Film Technology, Inc. of Buellton, California, a producer of precision optical coatings, thin film hybrid circuits, and highly engineered thin film coatings and services, and Techni-Met, LLC of Windsor, Connecticut, a manufacturer of large area precision thin films supplying a wide range of high-end applications in established and emerging markets.

Williams Advanced Materials Inc. manufactures precious, non-precious and specialty metal products at its facilities in North America, Europe and Asia, and provides value added services on a global basis. Major markets for WAM's products include magnetic data storage, wireless, defense, semiconductor, photonics, medical, photovoltaic, aerospace and key applications of the microelectronics markets.

Brush Engineered Materials Inc. is headquartered in Mayfield Heights, Ohio. The Company, through its wholly-owned subsidiaries, supplies highly engineered advanced enabling materials to global markets. Products include precious and non-precious specialty metals, inorganic chemicals and powders, specialty coatings, specialty engineered beryllium alloys, beryllium and beryllium composites, and engineered clad and plated metal systems.

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. The Company's future performance may materially differ from that contemplated by the forward-looking statements as a result of a variety of factors, including risks and uncertainties specific to the acquisition of Barr Associates, including, among other things: the ability to successfully integrate Barr Associates into the operations of WAM; unexpected costs or liabilities that may arise from the acquisition of Barr Associates; the ability to retain key personnel; and the impact of the results of operations of Barr Associates on the Company's ability to achieve fully the strategic and financial objectives related to the transaction, including the acquisition being accretive to earnings.

Additional factors that may affect future results are contained in the Company's filings with the SEC, which are available at the SEC's website at www.sec.gov, including, without limitation, the risk factors set forth in Part I, Item 1A of the Company's Form 10-K for the year ended December 31, 2008. All forward-looking statements included in this document are based upon information available to the Company as of the date of this document and speak only as of the date hereof. The Company
disclaims any obligation to update and revise statements contained in these materials based on new information or otherwise.

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