



Brush Engineered Materials Inc. Revises Sales And Earnings Expectations For 2001

CLEVELAND, Ohio — June 18, 2001 — Brush Engineered Materials Inc. (NYSE-BW) announced today that it is revising its expectations for sales and earnings for the remainder of 2001 due primarily to the impact of the continued weakness in the telecommunications and computer markets.

As indicated in the first quarter earnings release dated April 26, 2001 the weaker economy began to negatively impact company-wide sales in the latter part of the first quarter. This prolonged slowdown has resulted in a significant slowing of order entry rates and recent order cancellations in our Alloy Strip Products business which comprises approximately one third of the Company's total sales. In addition, Technical Materials Inc. and the Electronics Products business units have also been experiencing similar softness during the second quarter of 2001. As a result, the Company is taking offsetting actions including manufacturing cost reductions, deferring certain capital expenditures and a reduction in planned overhead spending.

The extended slowdown will affect the second quarter by more than previously announced. It is anticipated that sales may fall short of second quarter 2000 sales of \$137.1 million by approximately five percent. Therefore, the earnings estimate for the second quarter is in the \$0.05 to \$0.10 range versus \$0.24 per share diluted for the second quarter of 2000. Sales and earnings will also be impacted throughout the remainder of the year depending on the severity and longevity of the weakness in the Company's major markets.

Commenting on the revised forecast, Gordon D. Harnett, Chairman and Chief Executive Officer, stated, "The economic slowdown initially had a very limited effect on our performance as customer inventories in copper beryllium alloys were low as a result of supply constraints last year in the alloy strip products business. However, as markets continued to decline we have experienced declining order rates and cancellations from key demand generators in the telecommunication, computer and automotive electronics markets. Although we are disappointed by this continued economic weakness and the impact it is having on us, the steps we are taking to mitigate this short-term situation will also help deliver sustainable bottom line benefits in the future as the economy and our markets do rebound. Given the performance leverage we saw in the first quarter of 2001, I am convinced that we are well positioned to take advantage of an economic upturn which many now expect to occur in the fourth quarter rather than the third quarter."

A conference call has been scheduled to discuss this release Tuesday, June 19, 2001 at 1:30 p.m. Eastern Time. To participate on the call, please dial (719) 457-2624 five to ten minutes prior to start time and reference Confirmation Code No. 698014. A recorded playback of the call will be available for 10 days by dialing (719) 457-0820, confirmation code 698014. The call will also be available on the Company's website (www.BEMinc.com) for 10 days. To access the replay, click on Earnings Forecast Conference Call under the Investors page. The broadcast requires RealPlayer software, which is available as a free download from the icon as indicated.

Brush Engineered Materials will announce its second quarter financial results on July 26, 2001.

Any forward-looking statements in this announcement are based on current expectations. The Company's performance may differ from that contemplated by the forward-looking statements as a result of a variety of factors including the global and domestic economy, manufacturing yields and operating performances at the Company's various facilities, changes in product mix, the timely and successful completion of pending capital expansions, tax rates, exchange rates and energy costs.

Brush Engineered Materials Inc. is headquartered in Cleveland, Ohio. The Company, through its wholly-owned subsidiaries, supplies worldwide markets with beryllium products, alloy products, electronic products, precious metal products, and engineered material systems.