

**HICKS HOLDINGS AND THE WATERMILL GROUP JOINTLY ACQUIRE
LATROBE SPECIALTY STEEL COMPANY, A LEADING PROVIDER
OF SPECIALTY STEEL AND ALLOYS, IN \$250 MILLION TRANSACTION**

DALLAS, Tex., LEXINGTON, Mass., and LATROBE, Pa., Dec. 8, 2006—Hicks Holdings LLC, a Dallas-based, family-owned private investment enterprise headed by Thomas O. Hicks, and private equity firm The Watermill Group, of Lexington, Mass., today announced that they have jointly acquired Latrobe Specialty Steel Company (“Latrobe” or the “Company”), formerly known as Timken Latrobe Steel, a wholly-owned subsidiary of The Timken Company (NYSE: TKR), for a purchase price of \$215 million in cash plus approximately \$35 million of assumed liabilities.

Steven E. Karol, founder and managing partner of The Watermill Group, said: “Watermill has a long history of investing in outstanding companies and helping them further improve their strategic, operational and financial performance. Latrobe Specialty Steel was attractive to us based on its existing strength in all three categories, including its excellent position in growing and profitable markets, its outstanding management team, and its up-to-date, well-maintained manufacturing and distribution facilities. In partnering with Hicks Holdings, a like-minded buy and build investment group, our collective excitement about the future of Latrobe Specialty Steel is very high. We look forward to working with both Hicks Holdings and the Latrobe management team in this endeavor.”

Thomas O. Hicks, chairman and chief executive officer of Hicks Holdings, said: “We’re pleased to partner with The Watermill Group—which has significant hands-on experience and success in Latrobe’s industry and which identified and invited us to participate in this transaction—to acquire such an outstanding company. Latrobe has been a leading producer of high-quality specialty steels and alloys for nearly a century. It has done well as a subsidiary of Timken and we expect it to perform even better as a stand-alone company headed by an entrepreneurially incited management team. We look forward to working with President Hans Sack and his colleagues as they continue to provide outstanding products and services to Latrobe’s customers, create a dynamic, entrepreneurial environment for Latrobe’s employees, and build the value of the enterprise for everyone concerned.”

Founded in 1913, acquired by Timken in 1975, and headquartered in Latrobe, Pa., Latrobe Specialty Steel is one of the world’s leading producers and distributors of specialty steels and alloys, with a reputation for outstanding quality, technical expertise, and service.

Latrobe Manufacturing, one of the Company’s two operating divisions, produces more than 300 grades of specialty steel over a range of product families, including high-speed steel, structural alloys, bearing steel, high-temperature steel, corrosion-resistant steel, and tool and die steels, which are used in many exacting applications in the aerospace, energy and other industries.

Latrobe Distribution, the Company’s other division, acts as a master distributor of the Company’s own, and other companies’, specialty steel products to consumers and other

distributors. Latrobe's bearings, fasteners and other products have been used in applications as wide-ranging as medical prostheses and the Lunar Rover on the moon.

About Latrobe Specialty Steel Company

Founded in 1913, Latrobe Specialty Steel has a rich history in the steel industry and has been recognized as a pioneer in many specialty steel applications. Latrobe was the first North American company to exclusively use electric furnaces for the manufacture of manganese steel castings, and the Company has historically been a major supplier of tool and die steels. Latrobe added vacuum melting capabilities in the mid-1950s, which broadened its product lines with a variety of specialty alloy steels for aircraft, defense and other critical applications. Acquired by The Timken Company in 1975, Latrobe has continued its legacy of product innovation and leadership in the specialty steel industry.

About Hicks Holdings LLC

Hicks Holdings was formed in January 2005 as a holding company for the Hicks family's sports, real estate and other assets and investments, including Major League Baseball's Texas Rangers and the National Hockey League's Dallas Stars. In addition to Latrobe Specialty Steel, its corporate holdings currently include DirecPath, a company formed in May 2006 to provide bundled DIRECTV programming, broadband voice and data services, security and other locally based services to multiple dwelling units (MDUs) across the United States; Ocular LCD, Inc., a leading designer, manufacturer and marketer of high-performance liquid crystal displays, modules and systems; and Grupo Pilar, a leading animal and pet food company in Argentina. Hicks Holdings is also the controlling shareholder of Gammaloy, a leading oil and gas drilling tool rental and manufacturing company.

About The Watermill Group

The Watermill Group (www.watermill.com) is a private strategic investment firm that focuses on acquiring middle-market companies in which it can add value through strategic and operational guidance as well as investment capital. By leveraging 28 years of strategic, transactional and operating experience, Watermill helps its portfolio management teams thrive, to generate extraordinary returns for all stakeholders. Its principals have extensive expertise in manufacturing and value-added distribution, and differentiated services industries.

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