|  |  |  |
| --- | --- | --- |
| Pricing Term Sheet | **Issuer Free Writing Prospectus** |  |
| **Filed Pursuant to Rule 433** |  |
| Dated May 24, 2016 | **Registration Statement No. 333-208930** |  |
|  | **Supplementing the Preliminary** |  |
|  | **Prospectus Supplement dated May 24, 2016** |  |
|  | **(To Prospectus dated January 20, 2016)** |  |

**TimkenSteel Corporation**

**6.00% Convertible Senior Notes due 2021**

*The information in this pricing term sheet relates to TimkenSteel Corporation’s offering of its 6.00% Convertible Senior Notes due 2021 (the “Offering”) and should be read together with the preliminary prospectus supplement dated May 24, 2016 relating to the Offering (the “Preliminary Prospectus Supplement”), including the documents incorporated by reference therein, and the base prospectus dated January 20, 2016, each filed under the Securities Act of 1933, as amended, Registration Statement No. 333-208930. The information in this communication supersedes the information in the Preliminary Prospectus Supplement and the accompanying prospectus to the extent inconsistent with the information in the Preliminary Prospectus Supplement and the accompanying prospectus. Terms used herein but not defined herein shall have the meanings as set forth in the Preliminary Prospectus Supplement. All references to dollar amounts are references to U.S. dollars.*

Issuer:

Ticker / Exchange for Common Shares:

Securities Offered:

Aggregate Principal Amount Offered:

Maturity Date:

Interest Rate:

Interest Payment Dates:

Public Offering Price:

Trade Date:

Settlement Date:

NYSE Last Reported Sale Price on May 24, 2016:

Conversion Premium:

Initial Conversion Price:

Initial Conversion Rate:

Use of Proceeds:

Public Offering Price, Underwriting Discount and Proceeds:

TimkenSteel Corporation, an Ohio corporation.

TMST / The New York Stock Exchange (“NYSE”).

6.00% Convertible Senior Notes due 2021 (the “Notes”).

$75,000,000 aggregate principal amount of Notes (or $86,250,000 aggregate principal amount if the underwriters’ over-allotment option to purchase up to an additional $11,250,000 principal amount of Notes is exercised in full).

June 1, 2021, unless earlier repurchased or converted.

6.00% per annum, accruing from the Settlement Date.

June 1 and December 1 of each year, beginning on December 1, 2016.

100% of the principal amount of the Notes plus accrued interest, if any, from the Settlement Date.

May 25, 2016.

May 31, 2016.

$10.48 per common share of the Issuer.

Approximately 20% above the NYSE Last Reported Sale Price on May 24, 2016.

Approximately $12.58 per common share of the Issuer.

79.5165 common shares of the Issuer per $1,000 principal amount of Notes.

The Issuer estimates that the net proceeds from the Offering will be approximately $72.5 million (or approximately $83.4 million if the underwriters exercise their over-allotment option in full), after deducting fees and estimated expenses. The Issuer intends to use the net proceeds from the Offering to repay a portion of the amounts outstanding under its asset-based revolving credit facility. See “Use of proceeds” in the Preliminary Prospectus Supplement.

The following table shows the Public Offering Price, underwriting discounts and commissions and proceeds before expenses to the Issuer in the Offering:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Per Note | | |  |  | Total | |  |
|  |  |  |  |  |  |  |  |
| Public offering price(1) |  |  | $ | 1,000 | $ | | 75,000,000 |
| Underwriting discounts and commissions | | | $ | 30 | $ | | 2,250,000 |
| Proceeds, before expenses, to the Issuer | | | $ | 970 | $ | | 72,750,000 |



(1) Plus accrued interest, if any, from the Settlement Date.

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Sole Book-Running Manager: | | J.P. Morgan Securities LLC | | | | | | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Co-manager: | | Deutsche Bank Securities Inc. | | | | | | | | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| CUSIP: | | 887399 AA1 | | | | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ISIN: | | US887399AA15 | | | | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Increase in Conversion Rate Upon | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Conversion Upon a Make-Whole | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Fundamental Change: | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | Following the occurrence of a “make-whole fundamental change” (as defined in the Preliminary Prospectus | | | | | | | | | | | | | | | | | | | | | | |  |
|  |  | Supplement), the Issuer will increase the conversion rate for a holder who elects to convert its Notes in | | | | | | | | | | | | | | | | | | | | |  |  |  |
|  |  | connection with such make-whole fundamental change in certain circumstances, as described under | | | | | | | | | | | | | | | | | | | | |  |  |  |
|  |  | “Description of notes—Conversion rights—Increase in conversion rate upon conversion upon a make-whole | | | | | | | | | | | | | | | | | | | | | | |  |
|  |  | fundamental change” in the Preliminary Prospectus Supplement. | | | | | | | | | | | | | | |  |  |  |  |  |  |  |  |  |
|  |  | The following table sets forth the number of additional shares by which the conversion rate will be increased | | | | | | | | | | | | | | | | | | | | | | |  |
|  |  | per $1,000 principal amount of Notes for conversions in connection with a make-whole fundamental change for | | | | | | | | | | | | | | | | | | | | | | |  |
|  |  | each share price and effective date set forth below: | | | | | | | | | | |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Effective Date** |  |  |  |  |  |  |  |  |  |  | **Share Price** | | | |  |  |  |  |  |  |  |  |  |  |  |
| $10.48 |  | $12.58 |  |  | $15.00 |  | $20.00 |  | $25.00 |  | $30.00 |  | $35.00 |  | $40.00 |  | $50.00 |  | $60.00 |  | $70.00 |  |  |
| May 31, 2016 | | 15.9033 |  | 15.9033 |  |  | 15.9033 |  | 10.4465 |  | 6.9129 |  | 4.8343 |  | 3.4977 |  | 2.5836 |  | 1.4498 |  | 0.8103 |  | 0.4290 |  |  |
| June 1, 2017 | | 15.9033 | | 15.9033 | |  | 15.8800 | | 9.2735 | | 6.0141 | | 4.1517 | | 2.9770 | | 2.1834 | | 1.2083 | | 0.6620 | | 0.3381 | |  |
| June 1, 2018 | | 15.9033 | | 15.9033 | |  | 13.9001 | | 7.7153 | | 4.8575 | | 3.2987 | | 2.3431 | | 1.7072 | | 0.9317 | | 0.4976 | | 0.2400 | |  |
| June 1, 2019 | | 15.9033 | | 15.9033 | |  | 11.1305 | | 5.6397 | | 3.3951 | | 2.2686 | | 1.6062 | | 1.1707 | | 0.6350 | | 0.3284 | | 0.1431 | |  |
| June 1, 2020 | | 15.9033 | | 12.4159 | |  | 7.0298 | | 2.8851 | | 1.6476 | | 1.1220 | | 0.8191 | | 0.6111 | | 0.3351 | | 0.1638 | | 0.0542 | |  |
| June 1, 2021 | | 15.9033 | | 0.0000 | |  | 0.0000 | | 0.0000 | | 0.0000 | | 0.0000 | | 0.0000 | | 0.0000 | | 0.0000 | | 0.0000 | | 0.0000 | |  |



The exact share prices and effective dates may not be set forth in the table above, in which case:

* If the share price is between two share prices in the table above or the effective date is between two effective dates in the table above, the number of additional shares by which the conversion rate will be increased will be determined by a straight-line interpolation between the number of additional shares set forth for the higher and lower share prices and the earlier and later effective dates, as applicable, based on a 365-day year.
* If the share price is greater than $70.00 per share (subject to adjustment in the same manner as the share prices set forth in the column headings of the table above as described in the Preliminary Prospectus Supplement), no additional shares will be added to the conversion rate.
* If the share price is less than $10.48 per share (subject to adjustment in the same manner as the share prices set forth in the column headings of the table above as described in the Preliminary Prospectus Supplement), no additional shares will be added to the conversion rate.

Notwithstanding the foregoing, in no event will the conversion rate per $1,000 principal amount of Notes exceed 95.4198 common shares of the Issuer, subject to adjustment in the same manner as the conversion rate as set forth under “Description of notes—Conversion rights—Conversion rate adjustments” in the Preliminary Prospectus Supplement.

**The Issuer has filed a registration statement (including the Preliminary Prospectus Supplement dated May 24, 2016 and the accompanying prospectus dated January 20, 2016) with the Securities and Exchange Commission, or SEC, for the Offering to which this communication relates. Before you invest, you should read the Preliminary Prospectus Supplement, the accompanying prospectus in that registration statement and other documents the Issuer has filed with the SEC for more complete information about the Issuer and the Offering. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, copies may be obtained from J.P. Morgan Securities LLC, c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, New York 11717 or by calling 1-866-803-9204.**

ANY DISCLAIMERS OR OTHER NOTICES THAT MAY APPEAR BELOW ARE NOT APPLICABLE TO THIS COMMUNICATION AND SHOULD BE DISREGARDED. SUCH DISCLAIMERS OR OTHER NOTICES WERE AUTOMATICALLY GENERATED AS A RESULT OF THIS COMMUNICATION BEING SENT VIA BLOOMBERG OR ANOTHER EMAIL SYSTEM.