

TIMKENSTEEL CORP

FORM 11-K (Annual Report of Employee Stock Plans)

Filed 06/26/15 for the Period Ending 12/31/14

Address 1835 DUEBER AVENUE SW
CANTON, OH 44706-0928
Telephone 330-471-7000
CIK 0001598428
Symbol TMST
SIC Code 3312 - Steel Works, Blast Furnaces (Including Coke Ovens), and Rolling Mills
Fiscal Year 12/31

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the six months ended 12/31/2014

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from

Commission file number: 1-36313

**TIMKENSTEEL CORPORATION SAVINGS AND
INVESTMENT PENSION PLAN**

(Full title of the Plan)

TIMKENSTEEL CORPORATION

1835 Dueber Avenue SW, Canton, OH 44706

(Name of issuer of the securities held pursuant to the Plan and address of its principal executive office)

TimkenSteel Corporation Savings and Investment Pension Plan
Financial Statements and Supplemental Schedules
December 31, 2014 and Six Months Ended December 31, 2014

Table of Contents

	<u>PAGE</u>
Report of Independent Registered Public Accounting Firm	1
Financial Statements:	
Statement of Net Assets Available for Benefits	2
Statement of Changes in Net Assets Available for Benefits	3
Notes to Financial Statements	4
Supplemental Schedules:	
Schedule H, Line 4a - Schedule of Delinquent Participant Contributions	17
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)	18
Exhibit 23 - Consent of Independent Registered Public Accounting Firm	

Report of Independent Registered Public Accounting Firm

To the Audit Committee
TimkenSteel Corporation Savings and Investment Pension Plan
Canton, Ohio

We have audited the accompanying statement of net assets available for benefits of the TimkenSteel Corporation Savings and Investment Pension Plan (the Plan) as of December 31, 2014, and the related statement of changes in net assets available for benefits for the six months ended December 31, 2014. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2014, and the changes in net assets available for benefits for the six months ended December 31, 2014, in conformity with accounting principles generally accepted in the United States of America.

The accompanying supplemental schedule of delinquent participant contributions for the six months ended December 31, 2014 and the supplemental schedule of assets (held at end of year) as of December 31, 2014 have been subjected to audit procedures performed in conjunction with the audit of the Plan's financial statements. The supplemental schedules are the responsibility of the Plan's management. Our audit procedures included determining whether the supplemental schedules reconcile to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental schedules. In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ BDO USA, LLP
Cleveland, Ohio
June 26, 2015

TimkenSteel Corporation Savings and Investment Pension Plan

Statement of Net Assets Available for Benefits

	December 31, 2014
Assets:	
Investments, at fair value:	
Interest in The Master Trust Agreement for TimkenSteel Corporation Defined Contribution Plans	\$ 288,316,544
Receivables:	
Contributions receivable from participants	35,752
Contributions receivable from TimkenSteel Corporation	11,519
Participant notes receivable	3,188,287
Total receivables	3,235,558
Total assets reflecting investments at fair value	291,552,102
Adjustment from fair value to contract value for interest in The Master Trust Agreement for TimkenSteel Corporation Defined Contribution Plans relating to fully benefit-responsive investment contracts	(423,516)
Net assets available for benefits	\$ 291,128,586

See accompanying Notes to the Financial Statements.

TimkenSteel Corporation Savings and Investment Pension Plan

Statement of Changes in Net Assets Available for Benefits

Six Months Ended December 31, 2014

Additions:	
Investment income:	
Net investment gain from The Master Trust Agreement for TimkenSteel Corporation Defined Contribution Plans	\$ 14,255,163
Interest income from participant notes receivable	70,621
Contributions:	
Participants	3,560,169
TimkenSteel Corporation	2,592,526
Participant rollovers	31,562
	6,184,257
Total additions	20,510,041
Deductions:	
Benefits paid directly to participants	7,876,187
Administrative expenses	50,548
Total deductions	7,926,735
Net increase	12,583,306
Transfers in (Note 1)	278,545,280
Net assets available for benefits:	
Beginning of year - June 30, 2014	—
End of year	\$ 291,128,586

See accompanying Notes to the Financial Statements.

TimkenSteel Corporation Savings and Investment Pension Plan
Notes to Financial Statements
December 31, 2014 and Six Months Ended December 31, 2014

1. Description of the Plan

The following description of TimkenSteel Corporation Savings and Investment Pension Plan (the Plan) provides only general information. Participants should refer to the Total Rewards handbook (Summary Plan Description) for a more complete description of the Plan's provisions. Copies of the handbook are available from the Plan Administrator, TimkenSteel Corporation (the Company). The Plan was established effective June 30, 2014 as a result of a spinoff (spinoff) from The Timken Company (Timken). In the spinoff, Timken transferred net assets of \$277,235,328 relating to the employees and retirees to the Plan sponsored by the Company.

General

The Plan is a defined contribution plan available to salaried employees of (i) TimkenSteel Corporation, TimkenSteel Material Services, and TSB Metal Recycling (collectively, the "Company"), (ii) non-bargaining hourly employees of TimkenSteel Material Services and employees employed as brickmasons, and (iii) OH&R transferred participants. Employees of these entities become eligible to participate in the Plan the first of the month following the completion of one full calendar month of full-time service. All OH&R transferred participants become eligible to participate in the Plan as of June 30, 2014. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Plan Merger

Effective June 30, 2014, the Company amended and restated the Plan in its entirety to reflect the merger of The OH&R Investment Plan. The assets and liabilities of The OH&R Investment Plan were transferred to and merged into the Plan. The net assets transferred into the Plan of \$1,309,952 are reflected on the December 31, 2014 statement of changes in net assets available for benefits as a transfer into the Plan.

Contributions

Under the provisions of the Plan, participants may elect to contribute between 1% and 75% of their gross earnings directly to the Plan, depending on their monthly wages and subject to Internal Revenue Service (IRS) limitations. The Company matches such employee contributions, "Matching Contributions," at an amount equal to 100% of the first 3% of the participant's gross earnings (as defined) deferred to the Plan, and 50% of the next 3% of gross earnings deferred to the Plan. Participants may also roll over amounts representing distributions from other qualified defined benefit or defined contribution plans, except Roth rollovers.

TimkenSteel Corporation Savings and Investment Pension Plan
Notes to Financial Statements (continued)

The Plan provides for a quarterly 401(k) Plus Contribution by the Company for employees hired prior to January 1, 2004 at the Company's facilities in St. Clair, Ohio and Tryon Peak, North Carolina; and who did not have five years of Continuous Service and 50 points (in Continuous Service and age) as of December 31, 2003. This contribution is based on the participant's full years of service at amounts ranging from 2.5% to 8.0% of the participant's eligible compensation.

The Plan provides for a quarterly "Core Contribution" by the Company for all salaried plan participants and hourly plan participants employed as brickmasons except, those accruing service under a defined benefit pension plan sponsored by the Company, and those receiving a 401(k) Plus Contribution. This contribution is based on the participant's full years of service and age as of December 31 of the previous calendar year. Core Contribution amounts range from 1.0% to 4.5% of the participant's eligible compensation.

Any employee hired prior to January 2007 and eligible to participate in the Plan may elect to enroll in the Plan; any employee hired on or after January 2007 and eligible to participate in the Plan will be automatically enrolled in the Plan at a 3% deferral rate. If the participant makes no further changes to his/her deferral rate, then each year following the year in which the participant was automatically enrolled in the Plan the participant's deferral rate will be increased by 1% until a deferral rate of 6% has been attained.

Matching Contributions are made in common stock of the Company. Participants are not allowed to diversify the Matching Contributions made in common shares of the Company until (i) attaining age 55, (ii) the third anniversary of the date on which such participant is hired, (iii) the date such participant obtains three years of Continuous Service, or (iv) following retirement. 401(k) Plus Contributions and Core Contributions are invested based on the participant's investment election. If a participant fails to make investment elections, his/her deferrals will default to an appropriate Vanguard Target Retirement Fund, based on the participant's age and an estimated retirement age of 65.

Participants have access to their account information and the ability to make account transfers and contribution changes daily through an automated telecommunications system and through the Internet.

Participants may elect to have their vested dividends in TimkenSteel Corporation Common Stock Fund distributed to them in cash rather than automatically reinvested in common shares of the Company.

**TimkenSteel Corporation Savings and Investment Pension Plan
Notes to Financial Statements (continued)**

Participant Accounts

Each participant's account is credited with the participant's contributions and allocations of (a) the Company's contributions and (b) Plan earnings, and is charged administrative expenses, as appropriate. Plan earnings are allocated based on the participant's share of net earnings or losses of their respective elected investment options. Allocations of administrative expenses are based on participant's account balances, as defined. Forfeited balances of terminated participants' nonvested accounts are used to reduce future Company contributions. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their contributions and Matching Contributions plus actual earnings thereon. Participants vest in the 401(k) Plus Contributions and Core Contributions after the completion of three years of service. Participants vest in the Base Contributions (contributions made prior to 2007) on a five-year graduated vesting scale based on years of continuous service.

Participant Notes Receivable

Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. Loan terms generally cannot exceed five years for general purpose loans, and 30 years for residential loans.

The loans are secured by the balance in the participant's account and bear interest at an interest rate of 1% in excess of the prime rate, as published the first business day of each month in the *Wall Street Journal*. Principal and interest are paid ratably through payroll deductions.

Payment of Benefits

Upon termination of service, participants having a vested account balance greater than \$5,000 have the option of (i) transferring their account balance to another qualified plan, (ii) receiving a lump-sum amount equal to the vested balance of their account, (iii) receiving installment payment of the vested balance of their account over a period of time not to exceed their life expectancy, or (iv) leaving their vested account balance in the Plan until age 70½. Participants with balances between \$1,000 and \$5,000 may elect to receive a distribution or roll over their vested balances to another qualified plan or IRA. Participants having a vested account balance less than \$1,000 receive a lump-sum amount equal to their vested account balance.

Hardship withdrawals are allowed for participants incurring an immediate and severe financial need, as defined by the Plan. Hardship withdrawals are strictly regulated by the IRS and a participant must exhaust all available loan options and distributions prior to requesting a hardship withdrawal.

**TimkenSteel Corporation Savings and Investment Pension Plan
Notes to Financial Statements (continued)**

Forfeitures

Under the provisions of the Plan, if a participant leaves the Company with less than three years of Continuous Service, all Core Contributions and any earnings on those contributions are forfeited and used to fund other Company contributions for eligible associates. In addition, if a participant leaves the Company with less than five years of Continuous Service, any non-vested matching contributions, company retirement contributions, base contributions, and any earnings on those contributions are forfeited and used to fund other Company contributions for eligible associates. Forfeitures balance as of December 31, 2014 was approximately \$46,210.

Transfers between Plans

Certain participants who change job positions within the Company and, as a result, are covered under a different defined contribution plan offered by the Company may be eligible to transfer his or her account balance between plans.

Plan Termination

Although it has not expressed any interest to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, the Plan's trustee, Great-West Trust Company, LLC (formerly JP Morgan) (Trustee), shall distribute to each participant the balance in their separate account, which becomes fully vested at the date of Plan termination.

2. Summary of Accounting Policies

Basis of Accounting

The financial statements of the Plan have been prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and accompanying notes and supplemental schedules. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value and are invested in The Master Trust Agreement for the Company's Defined Contribution Plans (Master Trust), which was established for the investment of assets of the Plan and the two other defined contribution plans sponsored by the Company.

TimkenSteel Corporation Savings and Investment Pension Plan
Notes to Financial Statements (continued)

The Plan's Trustee maintains a collective investment trust of common shares of TimkenSteel Corporation in which the Company's defined contribution plans participate on a unit basis. Common shares of TimkenSteel Corporation are traded on a national securities exchange and participation units in TimkenSteel Corporation ESOP Stock Fund are valued at the last reported sales price on the last business day of the plan year.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date.

In accordance with U.S. GAAP, the Plan has adopted Financial Accounting Standards Board (FASB) provisions for the Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution, Health and Welfare and Pension Plans. FASB guidance requires that investment contracts held by a defined contribution plan be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. As required by U.S. GAAP, the Statement of Net Assets Available for Benefits presents the fair value of the investment as well as the adjustment for the fully benefit-responsive investment contracts from fair value to a contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

Participant Notes Receivable

Participant notes receivable represents participant loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on participants' notes receivable is recorded when it is earned. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2014. If a participant ceases to make loan repayments and the Plan Administrator deems the participant loan to be a distribution, the participant loan balance is reduced and a benefit payment is recorded.

3. Investments

The Plan's assets are held in the Master Trust, commingled with assets of other Company-sponsored benefit plans.

Each participating plan's interest in the investment funds (i.e., separate accounts) of the Master Trust is based on account balances of the participants and their elected investment funds. The Master Trust assets are allocated among the participating plans by assigning to each plan those transactions (primarily contributions, benefit payments, and plan-specific expenses) that can be specifically identified and by allocating among all plans, in proportion to the fair value of the assets assigned to each plan, income and expenses resulting from the collective investment of the assets of the Master Trust. The Plan's ownership percentage in the Master Trust as of December 31, 2014 was 68.46%.

TimkenSteel Corporation Savings and Investment Pension Plan
Notes to Financial Statements (continued)

The following table represents the fair value of investments in the Master Trust and the Plan's ownership percentage in each investment fund of the Master Trust:

	Company Stock	Registered Investment Companies	Common Collective Funds	Total Assets	Plan's Ownership Percentage
Investment, at Fair Value:					
TimkenSteel Corporation ESOP Stock Fund	\$ 34,436,562	\$ —	\$ —	\$ 34,436,562	71.46%
The Timken Company Stock Fund	51,072,618	—	—	51,072,618	73.80%
Morgan Stanley Inst Small Company Growth - I	—	5,731,845	—	5,731,845	60.19%
American Funds EuroPacific Growth - R6	—	31,934,861	—	31,934,861	82.39%
American Funds Washington Mutual - R6	—	13,762,812	—	13,762,812	67.17%
American Beacon Small Cap Value - Inst	—	9,888,837	—	9,888,837	70.26%
Vanguard Target Retirement Income Fund	—	6,494,664	—	6,494,664	77.72%
Vanguard Target Retirement Fund 2015	—	16,755,951	—	16,755,951	75.42%
Vanguard Target Retirement Fund 2025	—	14,817,661	—	14,817,661	71.04%
Vanguard Target Retirement Fund 2035	—	10,939,876	—	10,939,876	72.86%
Vanguard Target Retirement Fund 2045	—	7,256,994	—	7,256,994	78.72%
Vanguard Target Retirement Fund 2020	—	6,809,990	—	6,809,990	67.36%
Vanguard Target Retirement Fund 2030	—	2,317,376	—	2,317,376	72.75%
Vanguard Target Retirement Fund 2040	—	1,206,086	—	1,206,086	47.45%
Vanguard Target Retirement Fund 2050	—	1,018,147	—	1,018,147	67.51%
JPMorgan Core Bond Funds I & II	—	—	34,224,514	34,224,514	70.23%
JPMCB Equity Index - CF	—	—	75,366,540	75,366,540	55.95%
Winslow Large Cap Growth - I	—	—	27,358,218	27,358,218	69.84%
SSgA Russell Small Cap Index NL-A	—	—	19,489,752	19,489,752	75.19%
	\$ 85,509,180	\$ 128,935,100	\$ 156,439,024	\$ 370,883,304	
Wells Fargo Stable Value Funds E & G	\$ —	\$ —	\$ 50,315,744	\$ 50,315,744	
Adjustment from fair value to contract value	—	—	(694,695)	(694,695)	
	\$ —	\$ —	\$ 49,621,049	\$ 49,621,049	60.96%
Net Assets of Master Trust	\$ 85,509,180	\$ 128,935,100	\$ 206,060,073	\$ 420,504,353	68.46%

TimkenSteel Corporation Savings and Investment Pension Plan
Notes to Financial Statements (continued)

Investment appreciation/(depreciation) for the Master Trust is as follows:

	Six Months Ended December 31, 2014
Net appreciation/(depreciation) in fair value of investments:	
Common Collective Funds	\$ 22,493,250
Registered Investment Companies	7,957,188
Company Stock	(9,001,241)
Interest income from Participant notes receivable	148,174
Total Master Trust	\$ 21,597,371

4. Non-Participant-Directed Investments

Information about the net assets and the significant components of the changes in net assets related to non-participant-directed investments is as follows as of and for the six months ended December 31, 2014 :

	December 31, 2014
Investments, at fair value:	
Interest in Master Trust related to TimkenSteel Corporation ESOP Stock Fund	\$ 24,609,825
Interest in Master Trust related to The Timken Company Stock Fund	37,690,004
	\$ 62,299,829

	Six Months Ended December 31, 2014
Changes in Net Assets:	
Investment income	\$ 12,087,120
Participant contributions	—
Company contributions	2,152,982
Benefits paid directly to participants	(860,390)
Transfers in, net	48,920,117
	\$ 62,299,829

**TimkenSteel Corporation Savings and Investment Pension Plan
Notes to Financial Statements (continued)**

5. Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability .

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

TimkenSteel Corporation Savings and Investment Pension Plan
Notes to Financial Statements (continued)

The following table sets forth by level, within the fair value hierarchy, the Master Trust's assets at fair value on a recurring basis as of December 31, 2014:

	Assets at Fair Value as of December 31, 2014			
	Total	Level 1	Level 2	Level 3
Assets:				
Company Stock:				
TimkenSteel Corporation ESOP Stock Fund	\$ 34,436,562	\$ 34,436,562	\$ —	\$ —
The Timken Company Stock Fund	51,072,618	51,072,618	—	—
Registered Investment Companies:				
Morgan Stanley Inst Small Company Growth - I	5,731,845	5,731,845	—	—
American Funds EuroPacific Growth - R6	31,934,861	31,934,861	—	—
American Funds Washington Mutual - R6	13,762,812	13,762,812	—	—
American Beacon Small Cap Value - Inst	9,888,837	9,888,837	—	—
Vanguard Target Retirement Income Fund	6,494,664	6,494,664	—	—
Vanguard Target Retirement Fund 2015	16,755,951	16,755,951	—	—
Vanguard Target Retirement Fund 2025	14,817,661	14,817,661	—	—
Vanguard Target Retirement Fund 2035	10,939,876	10,939,876	—	—
Vanguard Target Retirement Fund 2045	7,256,994	7,256,994	—	—
Vanguard Target Retirement Fund 2020	6,809,990	6,809,990	—	—
Vanguard Target Retirement Fund 2030	2,317,376	2,317,376	—	—
Vanguard Target Retirement Fund 2040	1,206,086	1,206,086	—	—
Vanguard Target Retirement Fund 2050	1,018,147	1,018,147	—	—
Common Collective Funds:				
JPMorgan Core Bond Funds I & II	34,224,514	—	34,224,514	—
JPMCB Equity Index - CF	75,366,540	—	75,366,540	—
Winslow Large Cap Growth - I	27,358,218	—	27,358,218	—
SSgA Russell Small Cap Index NL-A	19,489,752	—	19,489,752	—
Wells Fargo Stable Value Funds E & G	49,621,049	—	49,621,049	—
Total assets of Master Trust	\$ 420,504,353	\$ 214,444,280	\$ 206,060,073	\$ —

The investment strategy for American Funds Washington Mutual-R6 is to invest in common stocks of established companies that are listed on, or meet the financial listing requirements of, the New York Stock Exchange and have a strong record of earnings and dividends.

TimkenSteel Corporation ESOP Stock Fund participates in units and is valued based on the closing price of TimkenSteel Corporation Common Shares traded on a national securities exchange. Registered investment companies are valued based on quoted market prices reported on the active market on which the individual securities are traded.

TimkenSteel Corporation Savings and Investment Pension Plan
Notes to Financial Statements (continued)

The Timken Company Stock Fund participates in units and is valued based on the closing price of Timken common shares traded on a national securities exchange. Registered investment companies are valued based on quoted market prices reported on the active market on which the individual securities are traded. Effective June 30, 2014, participants will not be allowed to invest future contributions or transfer money into The Timken Company Stock Fund.

The JPMCB Equity Index-CF includes investments that provide exposure to a broad equity market and are designed to mirror the aggregate price and dividend performance of the S&P 500 Index. The fair value of the investments in this fund has been determined using the net asset value per share.

The JPMorgan Core Bond Funds I and II include investments that seek to maximize total return by investing primarily in a diversified portfolio of intermediate and long-term debt securities. The fair value of the investments in these funds has been determined using the net asset value per share.

The SSgA Russell Small Cap Index NL-A includes investments seeking an investment return that approximates as closely as practicable, before expenses, the performance of the Russell 2000 Index over the long term. The fund includes exposure to stocks of small U.S. companies. The fair value of the investments in this fund has been determined using the net asset value per share.

The Winslow Large Cap Growth-I is a portfolio that invests at least 80% of its net assets in equity securities of U.S. companies with market capitalization in excess of \$4 billion at the time of purchase. The fair value of the investments in this fund has been determined using the net asset value per share on the active market on which the individual securities are traded.

The Wells Fargo Stable Value Funds E and G are collective investment funds that actively manage a diversified portfolio of investment contracts, and the associated portfolio of underlying assets. An investment by a plan in these funds results in the issuance of a given number of participation interests (Units) in the fund for the plan's account. The Fund's Unit value equals the total value of each asset held by the fund, less any liabilities, divided by the total number of units outstanding on the valuation date. The purchase price and redemption price is determined at the close of each day.

All other registered investment companies are valued at the net asset value of shares held by the Trust at year-end based on quoted market prices.

TimkenSteel Corporation Savings and Investment Pension Plan
Notes to Financial Statements (continued)

The following table summarizes investments measured at fair value based on net asset value (NAVs) per share as of December 31, 2014:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
JPMorgan Core Bond Funds I & II	\$ 34,224,514	Not applicable	Daily	Trade Day + 1 Day
JPMCB Equity Index - CF	\$ 75,366,540	Not applicable	Daily	Trade Day + 1 Day
Winslow Large Cap Growth - I	\$ 27,358,218	Not applicable	Daily	Trade Day
SSgA Russell Small Cap Index NL-A	\$ 19,489,752	Not applicable	Daily	Trade Day
Wells Fargo Stable Value Funds E & G	\$ 49,621,049	Not applicable	Daily	Trade Day

6. Related-Party Transactions

Related-party transactions included the investments in the common stock of the Company and the investment funds of the Trustee. Such transactions are exempt from being prohibited transactions.

The following is a summary of transactions in TimkenSteel Corporation common shares with the Master Trust for the six months ended December 31, 2014:

	Dollars
Purchased	\$ 24,846,052
Issued to participants for payment of benefits	\$ 125,194

Purchases and benefits paid to participants include TimkenSteel Corporation common shares valued at quoted market prices at the date of purchase or distribution.

Certain legal and accounting fees and certain administrative expenses relating to the maintenance of participant records are paid by the Company. Fees paid during the year for services rendered were based on customary and reasonable rates for such services.

7. Income Tax Status

The Plan has applied for a determination letter from the IRS in February 2015 and is awaiting its receipt at the filing date of the financial statements. The Plan Administrator and the Plan's legal counsel believe that the Plan is designed, and is currently being operated in compliance with the applicable requirements of the Internal Revenue Code (IRC) and therefore, believe that the Plan is qualified, and the related trust is tax-exempt.

TimkenSteel Corporation Savings and Investment Pension Plan
Notes to Financial Statements (continued)

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2014, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions.

During 2014, the Company failed to remit to the Plan's Trustee certain participant contributions within the period prescribed by Department of Labor regulations. The related accrued interest on the late remittances was calculated and remitted to the related trust in April 2015. Specific procedures have been adopted by the Company to assure that future contributions are deposited in a timely manner. The Company is in the process of filing a Voluntary Fiduciary Correction Program (VFCP) submission with the IRS, which further details these matters and the Company's plan for correcting them. These items do not have a material impact on the Plan's net assets available for benefits at December 31, 2014, and the Company does not expect the VFCP submission to affect the Plan's tax status.

8. Risks and Uncertainties

The Master Trust invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

9. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statement at December 31, 2014 to the Form 5500:

	December 31, 2014
Net assets available for benefits per the financial statement	\$ 291,128,586
Adjustments from contract value to fair value for fully benefit-responsive investment contracts	423,516
Net assets available for benefits per the Form 5500	\$ 291,552,102

The fully benefit-responsive investment contracts have been adjusted from fair value to contract value for purposes of the financial statements. For purposes of the Form 5500, the investment contracts will be stated at fair value.

TimkenSteel Corporation Savings and Investment Pension Plan
Notes to Financial Statements (continued)

The following is a reconciliation of total additions per the financial statement for the six months ended December 31, 2014 to total income per the Form 5500:

	Six Months Ended December 31, 2014
Total additions per the financial statements	\$ 20,510,041
Adjustment from contract value to fair value for fully benefit-responsive investment contracts at December 31, 2014	423,516
Total income per the Form 5500	\$ 20,933,557

TimkenSteel Corporation Savings and Investment Pension Plan

EIN #46-4024951 Plan #003

Schedule H, Line 4a – Schedule of Delinquent Participant Contributions

Six Months Ended December 31, 2014

Participant Contributions Transferred Late to Plan	Total that Constitutes Nonexempt Prohibited Transactions				
	Check here if Late Participant Loan Repayments are Included: <input type="checkbox"/>	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
\$ 185.58		\$ 185.58	(1)		
\$ 18,981.18		\$ 18,981.18	(2)		

(1) Represents lost earnings on delinquent participant contributions relating to November and December 2014 payrolls.

(2) Represents delinquent participant contributions for November and December 2014 payrolls.

See Note 7 "Income Tax Status" for further discussion.

TimkenSteel Corporation Savings and Investment Pension Plan

EIN #46-4024951 Plan #003

Schedule H, Line 4i – Schedule of Assets

(Held at End of Year)

Year Ended December 31, 2014

Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest Collateral, Par, or Maturity Value	Current Value
Participant notes receivable*	Interest rates ranging from 4.25% to 11.50% with various maturity dates	\$ 3,188,287

*Indicates party in interest to the Plan.

SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other person who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

TIMKENSTEEL CORPORATION
SAVINGS AND INVESTMENT PENSION PLAN

Date: June 26, 2015

/s/ Amanda J. Sterling

Amanda J. Sterling
Vice President and Corporate Controller

Consent of Independent Registered Public Accounting Firm

TimkenSteel Corporation Savings and Investment Pension Plan
Canton, Ohio

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (333-197077) of TimkenSteel Corporation of our report dated June 26, 2015, relating to the financial statements and supplemental schedules of TimkenSteel Corporation Savings and Investment Pension Plan, which appear in this Form 11-K for the six months ended December 31, 2014.

/s/ BDO USA, LLP
Cleveland, Ohio
June 26, 2015