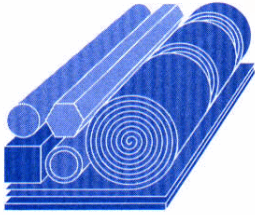


NEWS



SPECIALTY STEEL INDUSTRY OF NORTH AMERICA

**3050 K Street, NW
Washington, DC 20007**

FOR IMMEDIATE RELEASE

Contact: Meg Mullery 202-342-8439
mmullery@colliershannon.com

(Washington, DC) (May 7, 2002) -- The most current statistical data released today by the Specialty Steel Industry of North America (SSINA) reflect that total specialty steel import penetration for January/February 2002 increased to 28%, a one percentage point increase over the same 2001 period. Imports of stainless steel, the industry's largest product line, captured 26% of the U.S. market (no change from the previous year.) By product line, import penetration ranged from 18% for stainless steel sheet/strip to 90% for tool steel.

Specialty steel imports for January/February 2002 vs. the same 2001 period increased 3%, to 130,282 from 126,714 tons. Similarly, stainless steel imports rose to 93,624 from 91,392 tons, an increase of 2%.

Comparing YTD February 2002 with YTD February 2001 by product line, imports ranged from a 22% decrease for tool steel to a 40% increase for stainless steel rod. Stainless steel rod is one of three products, along with stainless steel wire and stainless steel bar, covered by the Bush Administration's recently announced Section 201 action that imposed tariffs on some steel imports. Stainless steel rod imports captured 89% of the U.S. market in YTD February 2002, a 6 percentage point increase over the same 2001 two-month period.

Stainless steel wire imports increased 6% in the first two months of this year compared to the same period last year, while stainless steel bar imports decreased 15%. Two-month import penetration, however, increased for each product. Stainless steel wire increased 12 percentage points to 56%; stainless steel bar, one percentage point to 46%. (See attached chart for more information on U.S. imports, consumption and market penetration data.)

According to SSINA Chairman H.L. Kephart, "The industry continues to closely monitor all imports -- particularly those subject to Section 201 tariffs and antidumping and/or countervailing duties -- to ensure compliance with unfair trade laws. The Section 201 tariffs went into effect on March 20. Their initial impact should be reflected in second quarter data. In the meantime, we continue to work closely with U.S. Customs to identify potential schemes designed to circumvent antidumping duties and the Section

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201 program.”

SSINA is a Washington, DC-based trade association representing virtually all continental specialty steel producers. Specialty steels are high technology, high value stainless and other specialty alloy products. While shipments of specialty steel account for only 2% of all steel shipped in North America, annual revenues of approximately \$8 billion account for 14% of the total value of all steel shipped.

David A. Hartquist, an international trade attorney with the Washington DC law firm Collier Shannon Scott, PLLC, serves as lead counsel to SSINA.

**U.S. Imports, Consumption and Market Penetration Data*
For Specialty Steel Product Lines
2002/2001/2000**

Specialty Steel Product Lines	Imports			U.S. Consumption			Two Month Import Penetration	
	Month Feb. 2002	YTD Feb. 2002	Increase/Decrease YTD 2002-01	Month Feb. 2002	YTD Feb. 2002	Increase/Decrease YTD 2002-01	YTD Feb. 2002	YTD Feb. 2001
Stainless Sheet/Strip	22,640	46,673	-2%	126,452	253,649	0.4%	18%	19%
Stainless Plate	3,478	8,129	19%	19,674	40,910	16%	20%	19%
Stainless Bar	7,155	16,622	-15%	16,638	36,182	-16%	46%	45%
Stainless Rod	8,616	16,424	40%	9,509	18,363	28%	89%	82%
Stainless Wire**	2,533	5,777	6%	4,577	10,340	-16%	56%	44%
Total Stainless Steel*** (Sheet, Strip, Plate, Bar, Rod & Wire)	44,422	93,624	2%	176,850	359,445	0.5%	26%	26%
Tool Steel	5,539	10,825	-22%	6,025	12,026	-34%	90%	76%
Electrical Steel	15,836	25,832	21%	44,482	86,030	-2%	30%	24%
Total Specialty	65,797	130,282	3%	227,357	457,502	-1%	28%	27%

2001 and 2000 statistical data in tons follow:

Specialty Steel Product Lines	Imports		U.S. Consumption		Twelve Month Import Penetration	
	2001	Percent Increase/Decrease	2001	Percent Increase/Decrease	2001	2000
Stainless Sheet/Strip	267,739	-31%	1,550,899	-17%	17%	20%
Stainless Plate	46,170	-30%	230,955	-8%	20%	26%
Stainless Bar	101,236	-19%	222,325	-17%	46%	47%
Stainless Rod	62,149	-24%	78,526	-28%	79%	75%
Stainless Wire**	30,617	-1%	59,996	-29%	51%	37%
Total Stainless Steel*** (Sheet, Strip, Plate, Bar, Rod & Wire)	507,911	-27%	2,142,700	-17%	24%	27%
Tool Steel	72,493	-8%	76,403	-33%	95%	69%
Electrical Steel	109,326	-11%	482,889	-14%	23%	22%
Total Specialty	689,730	-23%	2,701,993	-17%	26%	27%

NOTE: Changes in import penetration are percentage point changes.

* Imports adjusted to exclude hot bands imported for re-rolling and reported under shipments.

** Shipments for 2001 estimated and subject to revision when actual data is received.

*** Shipment and consumption data for these categories may be overstated due to the inclusion of shipments from wire redrawers which are already included in shipments/imports of rod; consequently import penetration may be slightly understated.

Prepared by Georgetown Economic Services for the Specialty Steel Industry of North America

07-May-02