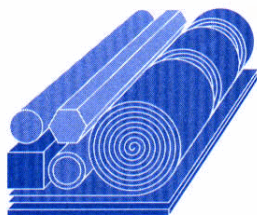


NEWS



SPECIALTY STEEL INDUSTRY OF NORTH AMERICA

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FOR IMMEDIATE RELEASE

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TOTAL STAINLESS STEEL IMPORTS INCREASE, DESPITE TARIFF RELIEF PROGRAM

(Washington DC) (February 13, 2003) - The most current statistical data released today by the Specialty Steel Industry of North America (SSINA) indicate that stainless steel imports and import penetration increased in January/November 2002 compared to the same 2001 period. (Unless otherwise noted, all comparisons are with the corresponding period in the previous year.)

Stainless steel products encompass sheet/strip, plate, bar, rod, and wire. By category, stainless steel sheet/strip, the industry's largest product line, increased 12% to 273,763 tons; stainless steel plate increased 29% to 54,311 tons. The 328,074 tonnage total of the two product lines for the first eleven months of 2002 already surpasses the 313,909 total for all of 2001. Neither product was included in the Bush Administration's tariff relief program implemented in March of 2002.

Imports of stainless steel bar and rod, both covered by the program, decreased 19% to 76,730 tons and 4% to 53,878 tons, respectively. Stainless steel wire increased 4% to 29,277 tons, despite inclusion in the relief program.

Notwithstanding import levels declining for some products, the net result was an increase in total stainless steel imports of 4% to 487,959 tons in the first eleven months of 2002. According to preliminary data recently published by the Commerce Department, total stainless steel imports in 2002 will exceed the 2001 level of 507,911 tons.

Foreign stainless steel product captured 25% of the U.S. market from domestic producers in January/November 2002. By product line, eleven-month import penetration was 19% for stainless steel sheet/strip, a two percentage point increase over YTD November 2001, and 23% for stainless steel plate, a three percentage point increase. While import penetration during subject period decreased for stainless steel bar and rod, U.S. producers still lost a significant 42% U.S. market share to stainless steel bar imports and 65% to imports of stainless steel rod.

Imports of total specialty steel (stainless steel, alloy tool steel, and electrical steel) decreased 2%

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to 618,956 tons with eleven-month import penetration remaining at 26%. The preliminary data indicate no significant change in total specialty steel import tonnage levels for 2002 vs. 2001.

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, 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.

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**U.S. Imports, Consumption and Market Penetration Data 1/
For Specialty Steel Product Lines
2002/2001/2000**

Specialty Steel Product Lines	Imports			U.S. Consumption			Eleven Month Import Penetration	
	Month Nov. 2002	YTD Nov. 2002	Increase/ Decrease YTD 2002-01	Month Nov. 2002	YTD Nov. 2002	Increase/ Decrease YTD 2002-01	YTD Nov. 2002	YTD Nov. 2001
Stainless Sheet/Strip	23,968	273,763	12%	123,831	1,460,580	2%	19%	17%
Stainless Plate	5,654	54,311	29%	18,870	234,729	10%	23%	20%
Stainless Bar	7,744	76,730	-19%	17,292	184,204	-11%	42%	46%
Stainless Rod	4,479	53,878	-4%	8,016	83,115	16%	65%	79%
Stainless Wire 2/	3,147	29,277	4%	NC	NC	NC	NC	--
Total Stainless Steel (Sheet, Strip, Plate, Bar, Rod & Wire)	44,992	487,959	4%	170,455	1,981,299	2%	25%	24%
Alloy Tool Steel 2/	6,898	69,096	4%	NC	NC	NC	NC	--
Electrical Steel	3,706	61,901	-37%	32,115	390,100	-12%	16%	22%
Total Specialty	55,596	618,956	-2%	207,398	2,417,489	0%	26%	26%

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	-18%	17%	20%
Stainless Plate	46,170	-30%	230,955	-9%	20%	26%
Stainless Bar	101,236	-19%	222,325	-17%	46%	47%
Stainless Rod	62,149	-24%	78,526	-28%	79%	75%
Stainless Wire 4/	30,617	-1%	59,996	-29%	51%	37%
Total Stainless Steel 3/ (Sheet, Strip, Plate, Bar, Rod & Wire)	507,911	-27%	2,142,700	-18%	24%	27%
Alloy Tool Steel	72,493	-8%	76,403	-33%	95%	69%
Electrical Steel	109,326	-11%	482,889	-15%	23%	22%
Total Specialty	689,730	-23%	2,701,993	-18%	26%	27%

NOTE: Changes in import penetration are percentage point changes.

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

2/ Shipments of Stainless Wire and Alloy Tool Steel unavailable, hence consumption and import penetration not calculable.

3/ 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.

4/ Shipments of wire estimated.

NC = Not calculable.

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