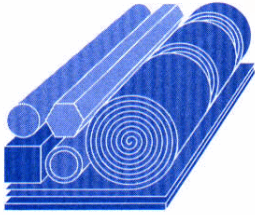


NEWS



SPECIALTY STEEL INDUSTRY OF NORTH AMERICA

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FOR IMMEDIATE RELEASE

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STAINLESS STEEL IMPORTS RISE BY 4%

(Washington, DC) (December 5, 2002) -- Despite President Bush's action last March to bring under control the amount of foreign steel flooding into the U.S., total stainless steel imports increased by 4% in the first nine months of this year compared to the same 2001 period. (Unless otherwise noted, all comparisons are with the corresponding period in the previous year.)

According to the latest available data, which covers January through September 2002 and was released today by the Specialty Steel Industry of North America (SSINA), U.S. producers of stainless steel sheet/strip and stainless steel plate, products not covered by the President's import relief action, were particularly hard hit.

Stainless steel sheet/strip imports reached 222,166 tons in YTD September 2002, a 12% increase over last year. These imports took a 19% bite out of U.S. market share compared to 17% in 2001.

At 42,977 tons, stainless steel plate imports for the subject period increased 38% over last year, capturing 22% of the U.S. market. This reflects a four percentage point increase in import penetration over 2001.

SSINA Chairman H.L. Kephart explained, "Stainless steel imports averaged 43,969 tons per month through September, even with the President's relief program in place. Unless a drastic reduction in imports occurs between now and the end of the year, the industry is looking at stainless steel imports remaining at the same 2001 level of approximately 508,000 tons and losing almost one-quarter of our own market to foreign product."

Imports of stainless steel bar, rod and wire, products subject to import relief tariffs, decreased. Nine-month import penetration, however, remained high at 41% for stainless steel bar and 67% for stainless steel rod.

"The import crisis that our industry has battled for more than a decade will continue unless and until anti-competitive behavior that distorts markets and impedes fair competition and trade is identified and dealt with," Kephart stated. "We support the intention of President Bush to

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address, together with other governments, these issues.”

Total specialty steel imports, which include stainless steel, alloy tool steel and electrical steel, decreased 3%. Nine-month import penetration for all specialty steel, however, did not change, remaining at 26%. (See attached chart for more information on U.S. imports, consumption, and market penetration data.)

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 of Collier Shannon Scott, PLLC, serves as lead counsel to SSINA.

end

**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			Nine Month Import Penetration	
	Month Sept. 2002	YTD Sept. 2002	Increase/Decrease YTD 2002-01	Month Sept. 2002	YTD Sept. 2002	Increase/Decrease YTD 2002-01	YTD Sept. 2002	YTD Sept. 2001
Stainless Sheet/Strip	26,269	222,166	12%	135,362	1,193,593	2%	19%	17%
Stainless Plate	4,349	42,977	38%	18,866	193,593	11%	22%	18%
Stainless Bar	6,261	61,890	-25%	15,895	149,579	-15%	41%	47%
Stainless Rod	4,228	45,247	-2%	8,148	67,555	15%	67%	78%
Stainless Wire 2/	2,479	23,438	0%	NC	NC	NC	NC	--
Total Stainless Steel (Sheet, Strip, Plate, Bar, Rod & Wire)	43,586	395,718	4%	179,911	1,618,700	2%	24%	24%
Alloy Tool Steel 2/	8,071	54,495	-2%	NC	NC	NC	NC	--
Electrical Steel	6,251	54,095	-37%	36,846	322,750	-13%	17%	23%
Total Specialty	57,908	504,308	-3%	222,686	1,977,561	-1%	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

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