



NEWS RELEASE

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Macsteel Service Centers USA expands capabilities in Midwest – Acquires Alpha Processing, Inc.

Newport Beach, CA, October 4, 2005 –Macsteel Service Centers USA, Inc., announced today that it is expanding its heavy gauge steel processing capabilities by acquiring the business and assets of Alpha Processing, Inc. (API), located in Chicago, Illinois. Terms of the purchase were not disclosed.

Alpha Processing, Inc. is owned by Paul H. Athens and a group of investors. In April, Macsteel Service Centers USA had acquired Alpha Steel, a large distributor of hot rolled plate and structural steel products. The Alpha Processing acquisition adds heavy gauge cut-to-length processing and shot blasting to Macsteel Service Centers' expanding portfolio of products and services in the Midwest.

Alpha Processing, Inc. will operate under its existing name as part of Macsteel Service Centers USA Midwest Division. Their management will continue with the Company.

Michael Hoffman, Macsteel Service Centers USA's President and CEO stated, "Adding Alpha Processing to our Midwest operations rounds out our processing capabilities in the region and moves the company full-service, with comprehensive capabilities unmatched in the marketplace. It is a perfect complement to our existing business in the Midwest and our recent acquisition of Alpha Steel."

Macsteel Service Centers USA is one of the leading companies in the North American metals service center industry. The company has a network of 32 locations, which includes the former Edgcomb Metals, Regal Steel Supply, Baldwin Steel, Hokin-Katz, and Ferro Union sites, all of which operate as Macsteel Service Centers USA; and the most recent acquisition of Alpha Steel. Macsteel Service Centers USA processes and distributes carbon, stainless, aluminum and specialty metals to customers throughout North America and Puerto Rico. Products include a full range of flat rolled, plate, tubing, pipe, bar and structurals. The company also supplies a full range of steel building products, coated and prepainted metals.

Macsteel Service Centers USA is headquartered in Newport Beach, CA and is owned by the global steel company, Macsteel Holdings.

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