



NEWS RELEASE

For Release and General Information:
Deanna Goulazian
Director of Communications
215-244-3288

Macsteel Service Centers USA expands presence in Midwest – Acquires Alpha Steel

Newport Beach, CA, April 19, 2005 –Macsteel Service Centers USA Inc., announced today that it has acquired the business and assets of PHA Steel, LLC, operating under the brand name Alpha Steel, a privately owned steel service center located in Hammond, Indiana. Terms of the purchase were not disclosed.

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

Alpha Steel, a large distributor of hot rolled and structural steel products in the Midwest, processes and distributes a broad inventory of structural steel beams, shapes, plate, sheet, tubing and pipe products. It is strategically located 19 miles outside of Chicago, supplying a large customer base of steel fabricators and OEMs. In addition, Alpha operates a complete in-house processing center for hot rolled steel products.

Michael Hoffman, Macsteel Service Centers USA's President and CEO stated, "Adding Alpha Steel greatly strengthens Macsteel Service Centers USA's already solid presence in the Midwest and offers us increased representation in the region for structural steel products. It is a perfect complement to our existing structural business in the Midwest and will enable us to take advantage of greater operating efficiencies."

Paul Athens, who was previously President & CEO of Alpha Steel, will remain with Macsteel Service Centers in the role of President of the Midwest Division. Paul stated, "We feel that this acquisition is a perfect fit for Alpha Steel. Under the ownership of Macsteel Service Centers USA, we will be able to significantly expand and improve the products and services to our customer base."

Macsteel Service Centers USA is one of the leading companies in the North American metals service center industry. The company has a network of 31 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. 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.

###

For more information visit us at: <http://www.macsteelusa.com>