

NEWS

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OLYMPIC STEEL REPORTS 2003 THIRD QUARTER RESULTS

Cleveland, Ohio -- (October 30, 2003) Olympic Steel, Inc., (Nasdaq: ZEUS), a national steel service center, today announced its financial results for the third quarter and nine months ended September 30, 2003.

Tons sold for the third quarter of 2003 increased 8.7% to 302 thousand from 278 thousand in the third quarter of 2002. Net sales totaled \$115.9 million for the third quarter of 2003, compared to \$116.5 million in the third quarter of 2002. The decline in sales was primarily attributable to a larger proportion of toll sales in 2003. For the first nine months of 2003, tons sold decreased 5.8% to 849 thousand from 902 thousand, and net sales decreased 1.2% to \$344.1 million from \$348.4 million.

Net loss for the third quarter totaled \$115 thousand or \$.01 per share, compared to net income of \$150 thousand or \$.02 per share for the third quarter of 2002. Net loss for the first nine months of 2003 was \$1.1 million or \$.12 per share, compared to a net loss of \$2.4 million, or \$.25 per share for the first nine months of 2002. Results in 2002 included losses from the Company's discontinued Tubing operation and the cumulative effect of a change in accounting principle for goodwill.

Michael D. Siegal, Chairman and Chief Executive Officer, stated, "Third quarter sales volume increased 8.3% over the second quarter. For the first nine months of the year, inventories are down 19%, debt has been reduced 6%, operating expenses are down 10% and financing costs have been reduced by 36%. While we are experiencing an increase in business demand, the market remains very fragile. Interest rate movements, global supply issues and currency valuations could have an impact on our near term performance."

A simulcast and replay of Olympic Steel's third quarter conference call may be accessed at the Company's web site. The simulcast will begin at approximately 9:00 a.m. Eastern Time today and a replay of the call will be available through November 13, 2003.

Founded in 1954, Olympic Steel is a North American steel service center that is experienced in the specialized processing and distribution of large volumes of flat-rolled carbon and stainless steel products. Headquartered in Cleveland, Ohio, the Company operates 12 distribution and processing facilities and participates in two joint ventures in Michigan. For further information about Olympic Steel, Inc., visit the Company's web site at <http://www.olysteel.com>.

It is the Company's policy not to make quarterly or annual sales or earnings projections for external use and not to endorse any analyst's sales or earnings estimates. Forward-looking statements in this release are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof. Such risks and uncertainties include, but are not limited to: general business, economic and political conditions; competitive factors such as the availability and pricing of steel and fluctuations in customer demand; layoffs or work stoppages by the Company's, suppliers', or customers' personnel; equipment malfunctions; customer, supplier, and competitor consolidation or insolvency; and the Company's ability to realize improved profitability by reducing its inventory and expenses and increasing its sales volume. Please refer to the Company's Securities and Exchange Commission filings for further information.

OLYMPICSTEEL
SELECTED FINANCIAL INFORMATION

(in thousands, except per share data and ratios)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2003	2002	2003	2002
	(unaudited)		(unaudited)	
<u>SUMMARY RESULTS OF OPERATIONS:</u>				
Net sales	\$115,850	\$116,465	\$344,131	\$348,417
Operating income	1,491	1,598	2,016	8,085
Income (loss) from continuing operations before income taxes and cumulative effect of a change in accounting principle	(146)	244	(1,760)	3,863
Income (loss) from continuing operations before cumulative effect of a change in accounting principle	(115)	150	(1,148)	2,375
Loss from discontinued operations, net of income taxes	-	-	-	(2,641)
Cumulative effect of a change in accounting principle, net of income taxes	-	-	-	(2,117)
Net income (loss)	<u>\$ (115)</u>	<u>\$ 150</u>	<u>\$ (1,148)</u>	<u>\$ (2,383)</u>
Basic and diluted net income (loss) per share:				
Income (loss) from continuing operations	\$ (0.01)	\$ 0.02	\$ (0.12)	\$ 0.25
Loss from discontinued operations	-	-	-	(0.28)
Cumulative effect of a change in accounting principle	-	-	-	(0.22)
Net income (loss) per share	<u>\$ (0.01)</u>	<u>\$ 0.02</u>	<u>\$ (0.12)</u>	<u>\$ (0.25)</u>

	September 30,		December 31,
	2003	2002	2002
	(unaudited)		
<u>SUMMARY BALANCE SHEET DATA:</u>			
Accounts receivable, net	\$ 65,925	\$ 59,502	\$ 48,877
Inventories	82,230	99,289	101,837
Net property and equipment	91,603	102,551	97,323
Total assets	246,909	272,558	262,911
Current liabilities	35,487	43,388	43,962
Total debt	100,437	110,455	106,793
Shareholders' equity	114,346	118,868	115,495
Shareholders' equity per share	11.85	12.33	11.98
Debt-to-equity ratio	.88 to 1	.93 to 1	.92 to 1

	Nine Months Ended	
	September 30,	
	2003	2002
	(unaudited)	
<u>OTHER DATA:</u>		
Capital expenditures	549	3,011
EBITDA (a)	8,263	14,441

(a) Defined as operating income plus depreciation.

Certain 2002 amounts have been reclassified to conform to the 2003 presentation.

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OLYMPICSTEEL
RESULTS OF OPERATIONS

(in thousands, except per share and tonnage data)

	<u>Three Months Ended September 30,</u>				<u>Nine Months Ended September 30,</u>			
	<u>2003</u>		<u>2002</u>		<u>2003</u>		<u>2002</u>	
	(unaudited)				(unaudited)			
Tons sold								
Direct	253,337		241,960		716,750		784,419	
Toll	<u>48,422</u>		<u>35,542</u>		<u>132,658</u>		<u>117,214</u>	
	301,759		277,502		849,408		901,633	
% change	8.7%		10.4%		(5.8%)		11.4%	
Net sales	\$ 115,850		\$ 116,465		\$ 344,131		\$ 348,417	
% change	(0.5%)		23.9%		(1.2%)		11.2%	
Cost of materials sold	<u>90,845</u>		<u>89,083</u>		<u>271,262</u>		<u>261,336</u>	
Gross profit	25,005	21.6%	27,382	23.5%	72,869	21.2%	87,081	25.0%
Operating expenses								
Warehouse and processing	8,072	7.0%	9,093	7.8%	24,207	7.0%	27,789	8.0%
Administrative and general	5,697	4.9%	6,069	5.2%	17,257	5.0%	18,417	5.3%
Distribution	4,211	3.6%	4,320	3.7%	11,965	3.5%	13,352	3.8%
Selling	2,613	2.3%	3,286	2.8%	8,201	2.4%	10,055	2.9%
Occupancy	884	0.8%	944	0.8%	2,976	0.9%	3,027	0.9%
Depreciation	<u>2,037</u>	1.8%	<u>2,072</u>	1.8%	<u>6,247</u>	1.8%	<u>6,356</u>	1.8%
Total operating expenses	<u>23,514</u>	20.3%	<u>25,784</u>	22.1%	<u>70,853</u>	20.6%	<u>78,996</u>	22.7%
Operating income	1,491	1.3%	1,598	1.4%	2,016	0.6%	8,085	2.3%
Income (loss) from joint ventures	<u>(644)</u>		<u>(31)</u>		<u>(654)</u>		<u>662</u>	
Income before financing costs and income taxes	847		1,567		1,362		8,747	
Interest and other expense on debt	<u>993</u>	0.9%	<u>1,323</u>	1.1%	<u>3,122</u>	0.9%	<u>4,884</u>	1.4%
Income (loss) from continuing operations before income taxes and cumulative effect of a change in accounting principle	(146)	(0.1%)	244	0.2%	(1,760)	(0.5%)	3,863	1.1%
Income tax benefit (provision)	<u>31</u>	21.2%	<u>(94)</u>	38.5%	<u>612</u>	34.8%	<u>(1,488)</u>	38.5%
Income (loss) from continuing operations before cumulative effect of a change in accounting principle	(115)		150		(1,148)		2,375	
Discontinued operations:								
Loss from discontinued tube operation, net of income tax benefit	-		-		-		(1,042)	
Loss on disposition of discontinued tube operation, net of income tax benefit	-		-		-		(1,599)	
Income (loss) before cumulative effect of a change in accounting principle	(115)		150		(1,148)		(266)	
Cumulative effect of a change in accounting principle, net of income tax benefit	-		-		-		(2,117)	
Net income (loss)	<u>\$ (115)</u>		<u>\$ 150</u>		<u>\$ (1,148)</u>		<u>\$ (2,383)</u>	
Basic and diluted net income (loss) per share:								
Income (loss) from continuing operations	\$ (0.01)		\$ 0.02		\$ (0.12)		\$ 0.25	
Loss from discontinued operations	-		-		-		(0.28)	
Cumulative effect of a change in accounting principle	-		-		-		(0.22)	
Net income (loss) per share	<u>\$ (0.01)</u>		<u>\$ 0.02</u>		<u>\$ (0.12)</u>		<u>\$ (0.25)</u>	
Weighted average shares outstanding	9,646		9,638		9,645		9,635	

Certain 2002 amounts have been reclassified to conform to the 2003 presentation with no effect on net loss.

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