



Universal Stainless to Assess Full Alloy Surcharge on Tool Steel

BRIDGEVILLE, Pa., March 16, 2004 -- Universal Stainless & Alloy Products, Inc. (Nasdaq:USAP) announced today that effective with May 1 shipments, it will include an assessment for chrome, molybdenum and vanadium in its tool steel surcharge formula. At present, the company only charges for the iron component in its tool steel products, which totaled \$0.04 per pound in March. The change in formula could add \$0.07 to \$0.11 per pound to the iron surcharge already assessed on common-grade tool steel products sold to customers. This estimate is based on current market values for key alloy elements.

Dudley J. Merchant, Vice President of Sales and Marketing, commented: "Specialty steels continue to experience a volatile period due to continued and rapid increases in raw material and energy costs. The additional surcharge is a necessary remedy to offset the heightened cost of producing tool steel products. We hope this advance notice will allow our customers to prepare their marketplace for these pricing changes."

About Universal Stainless & Alloy Products, Inc.

Universal Stainless & Alloy Products, Inc., headquartered in Bridgeville, Pa., manufactures and markets a broad line of semi-finished and finished specialty steels, including stainless steel, tool steel and certain other alloyed steels. The Company's products are sold to original equipment manufacturers, service centers, forgers, rerollers and wire redrawers.

Forward-Looking Information Safe Harbor

Except for historical information contained herein, the statements in this release are forward-looking statements that are made pursuant to the "safe harbor" provision of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve known and unknown risks and uncertainties that may cause the Company's actual results in future periods to differ materially from forecasted results. Those risks include, among others, risks associated with the limited operating history of Dunkirk Specialty Steel LLC, risks associated with the receipt, pricing and timing of future customer orders, risks associated with significant fluctuations that may occur in raw material and energy prices, risks associated with the manufacturing process and production yields, risks related to property, plant and equipment and risks related to the ultimate outcome of the Company's current and future litigation matters. Certain of these risks and other risks are described in the Company's filings with the Securities and Exchange Commission (SEC) over the last 12 months, copies of which are available from the SEC or may be obtained upon request from the Company.

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