



Universal Stainless & Alloy Products, Inc. Announces First Quarter Results

BRIDGEVILLE, PA, April 20, 1999 -- Universal Stainless & Alloy Products, Inc. (Nasdaq:USAP) today announced results for the first quarter ended March 31, 1999, above the Company's previously revised expectations:

First Quarter	1999	1998
Net sales	\$14,488,000	\$22,349,000
Net income	\$231,000	\$1,811,000
Earnings per diluted share	\$0.04	\$0.28

Mac McAninch, President and Chief Executive Officer of UniversalStainless commented, "As anticipated, our first quarter results wereaffected by a combination of increased scrap costs and lower sellingprices as a result of imports, and mechanical problems at our barmill. However, we are pleased that we have remained profitable duringan extremely difficult environment for the domestic steel industry."

Mr. McAninch continued, "Looking ahead, our expectations for thebalance of the year have not changed. We continue to believe thatmarket conditions will begin to improve in the second half of 1999 asa result of an increase in our backlog since the end of 1998 and thereported drop-off of imports. We remain committed to maintaining ourposition as a leading low-cost producer, and will continue to look forways to increase the quality and breadth of the products we bring tomarket."

The Company noted that it continues to actively pursue its sharerepurchase program. During the first quarter, Universal Stainlessrepurchased 142,500 shares of its common stock, bringing the totalnumber of shares repurchased to 217,500 since the program wasinitiated on October 19, 1998. The Company is authorized torepurchase up to 315,000 shares. Universal Stainless & AlloyProducts, Inc., headquartered in Bridgeville, Pa., manufactures andmarkets semi-finished and finished specialty steels, includingstainless steel, tool steel and certain other alloyed steels. TheCompany's products are sold to rerollers, forgers, service centers andoriginal equipment manufacturers, which primarily include the powergeneration and aerospace industries.

Except for historical information contained herein, the statements inthis release are forward-looking statements that are made pursuantto the safe harbor provisions of the Private Securities LitigationReform Act of 1995. Forward-looking statements involve known andunknown risks and uncertainties which may cause the Company'sactual results in future periods to differ materially from forecastedresults. Those risks include, among others, risks associated with thereceipt and timing of future customer orders, risks associated withthe manufacturing process and production yields, risks related toplant and equipment additions and maintenance. Certain of theserisks and other risks are described in the Company's filings with theSecurities 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.

UNIVERSAL STAINLESS & ALLOY PRODUCTS, INC.
FINANCIAL HIGHLIGHTS
(Dollars in thousands except per share information)
(Unaudited)
CONSOLIDATED STATEMENT OF OPERATIONS

	For the Three Months Ended March 31,	
	1999	1998
Net sales	\$14,488	\$22,349
Cost of products sold	12,961	18,467
Selling and administrative expenses	1,014	1,140
Operating income	513	2,742
Other income (expense)	(146)	133

Income before taxes	367	2,875
Income taxes	136	1,064
Net income	\$ 231	\$ 1,811
Earnings per share:		
Basic	\$ 0.04	\$ 0.29
Diluted	\$ 0.04	\$ 0.28
Weighted average shares of Common Stock outstanding		
Basic	6,163,314	6,295,508
Diluted	6,163,314	6,438,681
Tons shipped	10,160	14,564

BALANCE SHEET DATA

	March 31, 1999	December 31, 1998
Current assets	\$28,189	\$28,442
Net property, plant & equipment	36,931	35,710
Other assets	298	298
	\$65,418	\$64,450
Current liabilities	\$ 8,242	\$ 6,613
Long-term debt	11,502	11,841
Other liabilities	3,753	3,431
Stockholders' equity	41,921	42,565
	\$65,418	\$64,450

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