



## Universal Stainless Engages McDonald Investments

BRIDGEVILLE, PA, August 24, 2000 -- Universal Stainless & Alloy Products, Inc. (Nasdaq:USAP) today announced that its Board of Directors has engaged McDonald Investments Inc. as financial advisor to evaluate various strategic alternatives to increase shareholder value. Steps under consideration include the possible expansion of operations, as well as evaluating the benefits of potential strategic partners or merger and acquisition opportunities.

Mac McAninch, President and Chief Executive Officer commented, "The Board of Directors has reviewed the progress that the Company has made this year, characterized by strong sales, revenue growth and increased profitability. It was our decision to move forward from this position of improved strength to explore various opportunities to enhance shareholder value."

McDonald Investments Inc., with specialized expertise in the steel industry, is a leading full-service investment banking firm serving individuals, corporations, institutions and governments. Established in 1924, it is a subsidiary of Cleveland-based KeyCorp (NYSE: KEY), one of the nation's largest multiline financial services companies. With assets of approximately \$83 billion, KeyCorp provides investment management, retail and commercial banking, consumer finance and investment banking products and services.

Universal Stainless & Alloy Products, Inc. headquartered in Bridgeville, Pa., manufactures and markets semi-finished and finished specialty steels, including stainless steel, tool steel and certain other alloyed steels. The Company's products are sold to rerollers, forgers, service centers and original equipment manufacturers, which primarily include the power generation and aerospace industries.

Except for historical information contained herein, the statements in this release are forward-looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve known and unknown risks and uncertainties which 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 receipt and timing of future customer orders, risks associated with the manufacturing process and production yields, risks related to plant and equipment additions and maintenance. 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.

### Contacts:

Morgen-Walke Associates  
Gordon McCoun, Eric Boyriven

Media contact:  
Brian Maddox, Claudia Moscarella  
(212) 850-5600