

NEWS

R E L E A S E

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OLYMPIC STEEL REPORTS RECORD REVENUES FOR FIRST QUARTER OF 2005

Cleveland, Ohio -- (April 28, 2005) Olympic Steel, Inc., (Nasdaq: ZEUS), a national steel service center, today announced record sales revenue for the first quarter ended March 31, 2005.

Net sales for the first quarter of 2005 increased 52.1% to a record \$284.6 million from \$187.0 million for the first quarter a year ago. Tons sold decreased 6.6% to 360 thousand from 385 thousand in the first quarter of 2004. First quarter 2005 net income totaled \$9.6 million, or \$0.92 per diluted share, compared to net income of \$10.8 million, or \$1.09 per diluted share for last year's first quarter.

"We are pleased to announce that during the first quarter of 2005, our sales revenue was the highest for any quarter in our history. This reflects high average selling prices and good volume," stated Michael D. Siegal, Chairman and Chief Executive Officer.

"Inventories remain higher than expected, particularly at other service centers. Demand remains good in most markets, with the exception of the domestic automotive sector and service centers. We believe these factors will make spot market pricing more competitive, decreasing gross margins in the near term. Olympic will remain focused on our receivable and inventory turnover and expense controls to mitigate some of these industry dynamics. Additionally, we continue investing in high value-added services by adding two new laser-cutting machines in the first quarter and plan to add others this year to service our customers' growing outsourcing requirements," concluded Mr. Siegal.

Founded in 1954, Olympic Steel is a leading U.S. steel service center focused on the direct sale and distribution of large volumes of processed carbon, coated and stainless flat-rolled sheet, coil and plate steel products. Headquartered in Cleveland, Ohio, the Company operates 12 facilities and participates in two joint ventures. For further information, 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 and global business, economic and political conditions; competitive factors such as the availability and pricing of steel, industry inventory levels, and rapid fluctuations in customer demand and pricing; the cyclical and volatility within the steel industry; the ability of customers (especially in the automotive industry) to maintain their credit availability; layoffs or work stoppages by the Company's suppliers' or customers' personnel; equipment installation delays or malfunctions; the successes of the Company's efforts and initiatives to increase sales volumes, improve cash flows and reduce debt, maintain or improve inventory turns, and reduce costs; the successes of the Company's joint ventures; the adequacy of our information technology and business system software; and customer, supplier, and competitor consolidation or insolvency. 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		
	March 31,		
	2005	2004	
	(unaudited)		
<u>SUMMARY RESULTS OF OPERATIONS:</u>			
Net sales	\$ 284,558	\$ 187,033	
Operating income	16,833	18,835	
Income before income taxes	15,768	17,495	
Net income	<u>\$ 9,619</u>	<u>\$ 10,847</u>	
Earnings per share:			
Net income per share - basic	\$ 0.95	\$ 1.12	
Net income per share - diluted	\$ 0.92	\$ 1.09	
	March 31,		December 31,
	2005	2004	2004
	(unaudited)		
<u>SUMMARY BALANCE SHEET DATA:</u>			
Accounts receivable, net	\$ 127,511	\$ 82,319	\$ 93,336
Inventories	181,159	94,739	186,124
Net property and equipment	81,970	87,787	83,571
Total assets	403,985	278,056	374,146
Current liabilities	90,587	51,562	95,688
Total debt	119,921	100,006	96,022
Shareholders' equity	187,743	123,266	176,525
Shareholders' equity per share	18.51	12.77	17.58
Debt-to-equity ratio	.64 to 1	.81 to 1	.54 to 1
	Three Months Ended		
	March 31,		
	2005	2004	
	(unaudited)		
<u>OTHER DATA:</u>			
Capital expenditures	\$ 417	\$ 107	
EBITDA (a)	18,851	21,206	

(a) Defined as operating income plus depreciation plus, in 2004, an asset impairment charge.

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OLYMPIC STEEL
RESULTS OF OPERATIONS

(in thousands, except per share and tonnage data)

	Three Months Ended March 31,			
	2005	(unaudited)		2004
Tons sold				
Direct	313,888		330,095	
Toll	45,965		55,049	
	359,853		385,144	
% change	(6.6%)		43.2%	
Net sales	\$ 284,558		\$ 187,033	
% change	52.1%		62.8%	
Cost of materials sold	235,135		133,546	
Gross profit	49,423	17.4%	53,487	28.6%
Operating expenses				
Warehouse and processing	10,628	3.7%	10,884	5.8%
Administrative and general	9,273	3.3%	9,677	5.2%
Distribution	5,135	1.8%	5,071	2.7%
Selling	4,037	1.4%	5,316	2.8%
Occupancy	1,499	0.5%	1,333	0.7%
Depreciation	2,018	0.7%	2,071	1.1%
Asset impairment charge	-	0.0%	300	0.2%
Total operating expenses	32,590	11.5%	34,652	18.5%
Operating income	16,833	5.9%	18,835	10.1%
Income from joint ventures	243		78	
Income before financing costs and income taxes	17,076		18,913	
Interest and other expense on debt	1,308	0.5%	1,418	0.8%
Income before income taxes	15,768	5.5%	17,495	9.4%
Income tax provision	6,149	39.0%	6,648	38.0%
Net income	\$ 9,619		\$ 10,847	
Earnings per share:				
Net income per share - basic	\$ 0.95		\$ 1.12	
Weighted average shares outstanding - basic	10,080		9,675	
Net income per share - diluted	\$ 0.92		\$ 1.09	
Weighted average shares outstanding - diluted	10,455		9,959	

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