

OLYMPIC STEEL REFINANCES BANK DEBT

Cleveland, Ohio -- (January 8, 2003) Olympic Steel, Inc., (Nasdaq: ZEUS), a national steel service center, today announced that it has completed a new 3-year, \$132 million secured bank financing agreement agented by Detroit-based Comerica Bank.

The new agreement replaced the \$125 million bank financing agreement expiring June 2004, and \$3.7 million of other term debt. The new agreement is secured by the Company's accounts receivable, inventory and substantially all property and equipment. The new credit facility includes a \$90 million revolving credit component and \$42 million of term debt. The new facility expires December 15, 2005, with the lenders' option for two additional one-year extensions.

In connection with the refinancing, the prior agent bank waived \$814 thousand of deferred pay term loan interest, which the Company previously expensed. Fourth quarter 2002 earnings results will reflect the waived amount as a reduction to interest expense, offset by \$2.3 million of accelerated non-cash financing fee amortization related to the refinanced debt.

"We are very pleased to report this refinancing, which substantially reduces our financing costs going forward," said Michael D. Siegal, Chairman and CEO of Olympic Steel. "Specifically, the refinancing paid off \$11.3 million of high-costed term debt. Commencing in January 2003, the Company's effective borrowing rate under the new facility is approximately 175 basis points lower than the rate in place immediately prior to the refinancing."

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 and economic conditions; competitive factors such as the availability and pricing of steel; fluctuations in customer demand; work stoppages by automotive or steel manufacturers; and equipment installation delays or malfunctions. Please refer to the Company's Securities and Exchange Commission filings for further information.