



Universal Stainless to Add Seventh Vacuum Arc Remelt Furnace

Second VAR Furnace at Bridgeville Facility Will Address Backlog and Continued High Demand for Aerospace Grade Steels

BRIDGEVILLE, Pa., Feb. 28, 2006 -- Universal Stainless & Alloy Products, Inc. (Nasdaq:USAP) today announced that its Board of Directors has approved the purchase of a seventh vacuum arc remelt (VAR) furnace, which will be the second such furnace installed at its Bridgeville facility. It is expected to be operational in September 2006.

Vacuum arc remelting is a value-added process required to produce high quality grades of steel primarily for aerospace applications.

The project, including equipment purchase and installation, is estimated to cost between \$2.0 and \$2.5 million and will be financed initially through the Company's existing credit facility. Payback for this investment is projected to be less than one year.

Mac McAninch, President and CEO, commented: "The addition of VAR capacity is a necessary step based on our substantial backlog of products requiring VAR remelting and the anticipated needs of our customers. It also is in line with our strategy to focus on higher value-added products."

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 rollers, forgers, service centers, original equipment manufacturers 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 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 and regulatory 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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