



# ANNOUNCEMENT

I am pleased to announce the expansion of Chicago Tube and Iron into the southeast with the addition of *white metals* into our CTI Power Division in Charlotte, North Carolina. Research has validated that the southeast geography represents attractive potential for continued growth of our enterprise. The efforts of Dan Deffenbaugh and his team, along with Rob Powers and the P.V.F. team, have grown white metals to 25% of CTI's sales. As this is a higher value product, it is an important success given the ongoing challenges with carbon price deterioration.

Our strategy going forward will have us continuing to emphasize our carbon business while combining such with increased white metals, PVF, and, of course, our ever expanding value added services which include: cold welding, robotic welding, six-axis laser, and significant engineering capabilities. This is the perfect recipe for navigating a critical point of inflection as we enter our second millennium.

Dan Deffenbaugh, Director of Marketing Stainless & Aluminum, will be the project manager for this launch. He will be working closely with Amjd Shtawi and Mark Sowka to prepare the Locust operation. Bill Zielinski and Dan Deffenbaugh are in the final stages of recruiting talent to lead these efforts. Stay tuned for a future announcement.

Please join me in congratulating Bill and Dan on their leadership of this newest venture.

This is an exciting opportunity and as we say at CTI: "Here we grow again".

Donald R. McNeeley, Ph.D.  
President & CEO