



## CERTIFIED MAIL 7008-1830-0004-4705-5190

May 7, 2009

Mr. Jeff Calhoun Rapid Response Section Bureau of Employer Services Ohio Department of Job & Family Services P. O. Box 1618 Columbus, OH 43216-1618

RE: Notice under the Worker Adjustment and Retraining Notification Act (WARN")

Dear Mr. Calhoun:

We regret to advise you that, in accordance with the provisions of the Worker Adjustment and Retraining Notification Act ("WARN"), Severstal Wheeling, Inc. (the "Company"), with its corporate office located at 1134 Market Street, Wheeling, WV 26003, idled its Steubenville, Ohio facility effective March 31, 2009, including Steubenville North, Steubenville South (Mingo Junction) and Steubenville East (Follansbee, West Virginia) operations and is extending its current layoffs at its Steubenville, Ohio facility for an indefinite period of time. Additionally, the Company is also temporarily idling its Martins Ferry, Ohio and Yorkville, Ohio operations. The temporary cessation of these operations will also result in the layoff of a portion of the Company's salaried workforce at its corporate offices in Wheeling, West Virginia, and elsewhere. Some layoffs of salaried employees are expected to be permanent.

While the Company is searching for new business and anticipates that employees could be returned to work prior to their experiencing a layoff of six (6) months or more, the Company believes that it is best to provide notice to all affected employees at the facilities at this time in the event that a recovery in the steel industry does not occur until late 2009, or as some analysts predict, 2010.

Originally, the Company had believed that the layoffs that commenced during the last few months of 2008 and continuing into early 2009, were short term in nature and our business plan expected to return the laid off workers to active employment by the end of March 2009. However, as you are probably aware our business position continues to deteriorate and orders are not returning to sufficient levels to return production to early Fall 2008 levels. Over the last 4 to 5 months, Severstal has been attempting to obtain new orders to replace the abrupt loss of previously booked orders. Unfortunately, the current economic climate and dramatic recessionary forecasts, coupled with the significant erosion in pricing, have caused us to be unable to prevent the temporary cessation of production at the facilities listed above due to such unprecedented and unforeseen circumstances.

The prior layoffs at the Steubenville facility have affected production and maintenance workers represented by the United Steelworkers of America, as well as nonunion (salaried) workers at the facility. Additional layoffs of those USWA members and salaried employees currently working are occurring during the next several weeks. Attached hereto as Attachment 1, is a list of the job titles of the positions which are currently on layoff and Attachment 2 which is a combination of lists of the job titles of the positions which will be affected by the additional layoffs and temporary shutdown of the facilities. Under the parties' current collective bargaining agreements with the USWA, the individuals represented by the union who are listed on Attachment 2, may not be the actual employees laid off due to bumping and seniority rights within the bargaining unit. The union employees at the Steubenville facility have bumping rights within the operations there, while the Martins Ferry and Yorkville employees have separate seniority rights among those two operations.

In order to finish current work in progress and satisfy customer needs, layoffs due to the cessation of work at the Follansbee, Martins Ferry and Yorkville operations, as well as corresponding corporate staff, will occur through staggered layoffs over the next several weeks. Layoffs of the currently working employees at these operations are anticipated to occur within 14 days of the layoff dates specified in the following schedule (negative numbers indicate temporary returns to work):

	5/9	5/16	5/23	5/30	6/6	6/13	6/20	6/27	JUL	AUG	SEP	ОСТ
Hourly:												
Mingo	5	0	1	0	9	0	20	0	8	0	0	0
Follansbee	-2	0	0	0	20	-27	27	0	0	0	0	0
					70		00		4.4		_	
Yorkville	4	-4	4	-4	76	25	36	0	14	0	0	0
Martins Ferry	-56	-2	58	0	0	0	15	0	4	0	0	0
Total Hourly:	-49	-6	63	-4	105	-2	98	0	26	0	0	0
Total Salaried:	0	0	0	15	0	5	13	71	19	7	4	14
Total Separations:	-49	-6	63	11	105	3	111	71	45	7	4	14

By June 10, 2009, all of the facilities will be shut down and temporarily idled, and production work will cease until orders are sufficient to recommence work. Certain maintenance functions will continue during the idling period.

The Company official to contact for further information about this matter is G. Michael Clark, Division Manager Human Resources, Severstal Wheeling, Inc. Mr. Clark's phone number is 304-234-2245.

Very truly yours,

Wilbur Winland

Vice President and General Manager

Attachments