



## New year begins with new CEO, renewed optimism.

(On December 5, 2007, Leonard Anthony was named as the new president and CEO of WCI Steel. Here are his thoughts on the recently completed capital improvement program.)



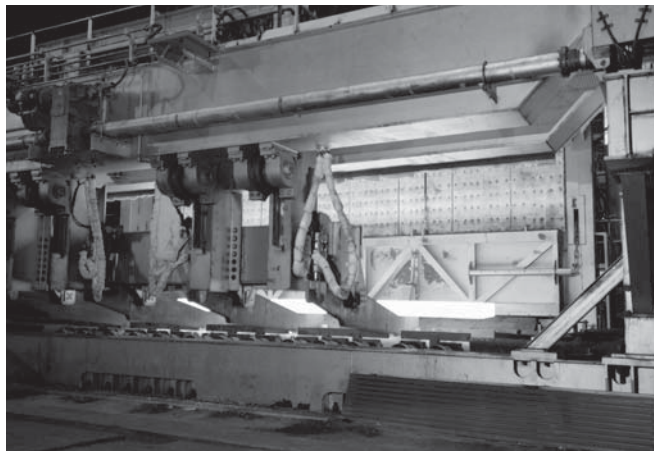
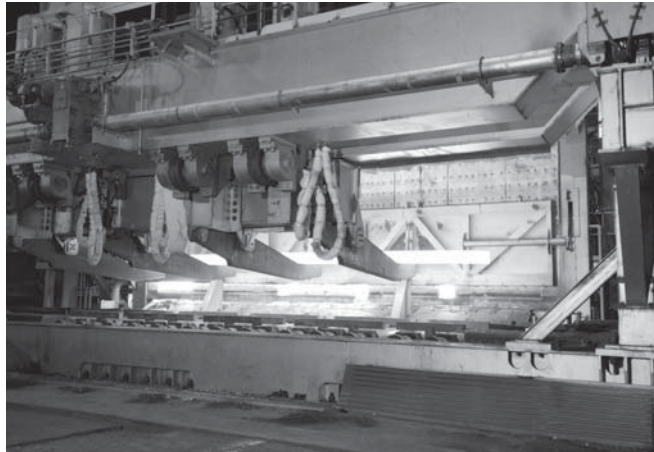
**"Impressive."**

I believe that word perfectly sums up the accomplishments of the men and women of WCI Steel in the past year. While dealing with several unforeseen operational obstacles, WCI successfully completed two major capital expansion programs and, just to make the accomplishment even more impressive, the programs were completed ahead of schedule.

The investment of more than \$70 million made in the new baghouse at our BOF and the new walking beam furnace positions us for growth, enhances our competitiveness and solidifies our position as the leading supplier for custom steel. Moreover, these projects are providing significant benefits to our customers in terms of our ability to answer needs for a superior quality product that is readily available.

From the beginning, our customers' anticipation, enthusiasm and support of these projects have been outstanding. We are grateful for that support and are eagerly looking forward to providing you with the fruits of these investments in 2008. I believe you will be impressed.

*Leonard M. Anthony*



▲ ▲ ▲ SLAB EXITING WALKING BEAM FURNACE

# GOAL AC

## Let Customer Satisfaction Soar.

On December 20, 2007, WCI successfully hot commissioned its new walking beam furnace with a 2-slab trial followed by a 12-slab trial. A short 24 hours later, commercial production began.

With that commissioning, WCI's capital improvement program of more than \$70 million has been brought in ahead of schedule. A formidable accomplishment in today's business environment.

The two projects within the program—the addition of a new baghouse on the BOF, which was completed in early 2007, and the installation of a new walking beam furnace in the hot strip mill—will pay dividends to WCI and its customers immediately and in the years to come.

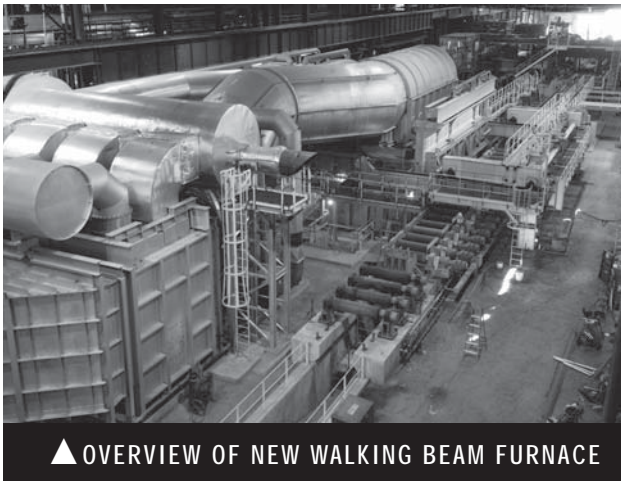
### Walking beam furnace benefits: lower costs, better quality and bigger coils.

The walking beam furnace answers our customers' needs for enhanced surface quality for critical finish applications and for larger coil sizes in hot-rolled products.

With the addition of the furnace, surface defects such as scale and skid tears have been significantly reduced and

# CCOMPLISHED.

gauge and surface quality are dramatically improved. The furnace is also turning out more consistent, uniformly heated slabs for improved rolling consistency, which translates into better overall quality. The new furnace also allows WCI to now provide hot rolled products in 1,000 PIW coils. The larger coil sizes mean customers can look forward to fewer set-ups, longer runs, better yields and less material handling. All of which contributes to a more consistent operating environment and, ultimately, more consistent quality.



▲ OVERVIEW OF NEW WALKING BEAM FURNACE

From an energy standpoint, the new furnace will result in substantial annual cost savings due to its efficiency and lower energy consumption.



▲ VIEW FROM THE PULPIT

## Baghouse project answers need for environmental stewardship.

While not as glamorous as the new furnace, the baghouse project also brings some needed benefits to the table and is indicative of WCI's commitment to meeting environmental protection standards.

The new baghouse system is reducing environmental emissions, improving production efficiency and allowing the company to meet new federal air quality standards.

**WCI STEEL**  
CUSTOM STEEL. CUSTOM SERVICE.

## WCI CONTINUES TO SHINE IN JACOBSON RESULTS.

In the most recent Jacobson Survey, WCI again earned impressive rankings. We were ranked #1 in Service, #2 in Delivery and #2 in Overall Satisfaction among all integrated mills for the current period.

This continues a five-year performance that has consistently earned WCI a ranking in the top five or higher for Overall Satisfaction, Service and Delivery in every period studied.

Earning a high ranking is always something to crow about, but this latest ranking speaks volumes about WCI's approach to its operations and its customers.

We produce a broad variety of products, each to enormously strict quality standards. Because of that, we must operate more effectively to compete successfully with producers that manufacture a smaller number of products.

On any given day, working to #1 or #2 status is a tall order, but in the recent months, with the added demands of a major capital expansion program and with unexpected outages, WCI met the challenge and never wavered from the standards we set for ourselves.

Needless to say, we are delighted to have earned these latest rankings, and we look forward to continuing to provide customers with exceptional products and service in 2008.