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NEWS from the Steelworkers



FOR IMMEDIATE RELEASE

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AK Steel (NYSE: AKS) Stock Plummet Despite "Record Setting" Hype

AK Steel Can Run, but It Can't Hide

MANSFIELD, Ohio - Despite attempts to convince shareholders and the investing public that operations at AK Steel are running smoothly, the smoke and mirror act AK Steel has been using to hype its stock has literally been blown away.

According to Richard M. Wardrop, AK Steel's chairman and CEO, the company set new records in shipments to automotive and appliance customers. However, the stock's performance on Wednesday shows why investors ignored the company rhetoric and cut straight through to the bottom line - which was very low.

The net income of AK Steel dropped from \$329.7 million in 1998 to \$65.4 million in 1999. The \$264.3 million loss sent investors into a selling frenzy today, culminating in a four-year low stock price of 12^{3/8}.

The loss of 3^{13/16} amounted to nearly one-fourth of total shareholder value. And at one point, shares were selling as low as 11^{1/2}.

Despite the embattled steelmaker's attempts to downplay the impact of the lockout in Mansfield and other factors contributing to last year's poor financial performance, Credit Suisse First Boston (CSFB) and J.P. Morgan both downgraded AK Steel stock early in the day. CSFB also lowered its twelve-month price target for AK Steel from \$32 to \$26.

These actions are exactly the opposite of a suspiciously glowing report issued earlier this week by Morgan Stanley Dean Witter, whose analyst Waldo Best was given a tour of the Mansfield facility where workers have been locked-out since September 1, 1999.

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