



NEWS

FOR IMMEDIATE RELEASE

RUSSEL METALS AMENDS AND INCREASES ITS CREDIT FACILITY

TORONTO, CANADA – May 4, 2009 -- Russel Metals Inc. (RUS - TSX) announced that on May 1, 2009 it amended and restated its credit agreement with a syndicate of banks. The amendment increases the credit available under the facility to Cdn\$252.5 million related to borrowings and letters of credit. In addition, it provides for an adjustment to earnings used in the fixed charge coverage ratio for up to \$200 million of non-cash inventory write-downs and any write-down of goodwill and intangible balances currently on the balance sheet. The amended facility expires on April 29, 2011.

We are required to maintain a fixed charge coverage ratio of 1.1 to 1. The fixed charge coverage ratio is measured at the end of each fiscal quarter. The numerator consists of the trailing 12-month earnings before depreciation, amortization, interest and taxes, adjusted for non-cash inventory write-downs of up to \$200 million and the write-down of goodwill and intangibles, less (i) current taxes included in our provision for income taxes for the 12-month period, (ii) the dividend declared in the next following quarter multiplied by four, and (iii) in certain circumstances capital expenditures during the 12-month period. The denominator consists principally of interest expense, scheduled principal repayments on long-term debt (currently not applicable) and the principal component of payments under capital leases.

Marion Britton, Vice President and CFO, stated, “We believe that the increased availability and the amendments to our fixed charge coverage ratio provide sufficient liquidity to allow us to pay a dividend and manage our operations through this business cycle. We will report an inventory write-down for a portion of the \$200 million in the first quarter of 2009; however, we do not anticipate utilizing the adjustment to the fixed charge coverage ratio until the second half of the

year.”

Russel Metals is one of the largest metals distribution companies in North America. It carries on business in three metals distribution segments: metals service centers, energy tubular products and steel distributors, under various names including Russel Metals, A.J. Forsyth, Acier Leroux, Acier Loubier, Acier Richler, Arrow Steel Processors, B&T Steel, Baldwin International, Comco Pipe and Supply, Fedmet Tubulars, JMS Russel Metals, Leroux Steel, McCabe Steel, Mégantic Métal, Métaux Russel, Métaux Russel Produits Spécialisés, Milspec Industries, Norton Metals, Pioneer Pipe, Russel Metals Specialty Products, Russel Metals Williams Bahcall, Spartan Steel Products, Sunbelt Group, Triumph Tubular & Supply, Wirth Steel and York-Ennis.

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