



NEWS

FOR IMMEDIATE RELEASE

RUSSEL METALS REDUCES QUARTERLY COMMON SHARE DIVIDEND

TORONTO, CANADA – February 23, 2009 -- Russel Metals Inc. (RUS - TSX) announced today that it has declared a dividend in the amount of Cdn \$0.25 per share on its common shares, payable on March 16, 2009 to shareholders of record at the close of business on March 4, 2009.

The decision to reduce the quarterly dividend payment to \$0.25 per share in the first quarter reflects the abrupt and severe drop in demand experienced to date in 2009. The new annual dividend rate of \$1.00 represents a yield of 6.2% at last Friday's closing share price of \$16.14.

Brian Hedges, COO and Executive Vice-President stated, "We have reduced the dividend due to the drastic and unprecedented decline in our business levels. It continues to be our intention to reward our shareholders at a level our earnings and cash flow justify. Our shareholder base includes a large number of individual investors and the Company is aware of how important the dividend is to these owners. We have made this change with great reluctance. "

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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