ROUGE STEEL COMPANY

3001 Miller Road
P.O. Box 1699
Dearborn, Michigan 48121-1699

November 5, 2003

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WORKFORCE TRANSITION

Mr. James Houck, Director
Workforce Transition Unit
Michigan Department of Career Development
Workforce Programs
Victor Office Center – 5th Floor
201 North Washington Square
Lansing, Michigan 48913

Dear Mr. Houck:

This notice is being sent pursuant to the provisions of the Worker Adjustment and Retraining Notification (WARN) Act, which requires employers to notify state government of potential actions that might affect the security of jobs or facilities.

We note that Rouge Steel has signed a non-binding letter of intent for a company to acquire substantially all of the Company's assets and to operate those assets as a going concern. That notwithstanding, the Company is presently subject to the jurisdiction of the U.S. Bankruptcy Court, who will ultimately determine the successful bidder. It is possible, therefore, that another potential buyer with different plans could acquire Company assets. It follows that the Company should issue this WARN notice due to the uncertainty of the ultimate result of the bankruptcy proceedings.

Although no decision to close the plant has been made at the present time, and, although Company management is diligently working toward a favorable outcome that will maximize future jobs, we are legally required to inform you that, if it is determined that a plant closure is required (at 3001 Miller Road, Dearborn, Michigan), it could occur on or about December 31, 2003, resulting in the permanent layoff of approximately 508 non-represented employees and 2,088 UAW-represented employees beginning on that date.

The union for the represented employees is the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW, and its chief elected officer is Mr. Ron Gettelfinger, President, International Union, UAW, 8000 East Jefferson, Detroit, Michigan 48214.

For further information, please contact me at (313) 323-1850 or Marlene Bankwitz, Employee Relations Department, Rouge Steel Company, Room 2058, 3001 Miller Road, P.O. Box 1699, Dearborn, Michigan 48121. She may be reached at (313) 322-1572.

Sincerely,

William E. Hornberger

William E. Hornberger
Senior Vice President
Corporate Relations
and External Affairs