

PRESS RELEASE



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WIRE ROPE CORPORATION OF AMERICA FORMS JOINT VENTURE WITH CHINA'S WUHAN IRON AND STEEL

WISCO WRCA CO Ltd. to Build World's Largest Wire Rope Plant to Supply Product for China and Other Asian Markets

St. Joseph, Missouri, July 10, 2006 – Wire Rope Corporation of America, Inc. (WRCA) today announced the formation of WISCO WRCA CO. Ltd., a joint venture between WRCA and the Wuhan Iron and Steel Corporation (WISCO), China's third-largest steel producer and the 18th largest in the world. The joint venture, which is 51%-owned by WRCA and 49% by WISCO, will produce wire rope in China for the Chinese and Asian markets.

WISCO WRCA will build the most modern wire rope production facility in the world at a highly developed industrial location in Wuhan, China, located west of Shanghai, on the Yangtze River. WISCO, which is located within close proximity of the new rope mill, will be the primary supplier of rod to the joint venture. The one million square foot facility will be able to produce 50,000 metric tons of wire rope products when all of the equipment is installed. The state-of-the-art facility will have more than 75 major pieces of manufacturing equipment and has been designed with optimum logistics flow and expansion capabilities that would bring total output up to over 100,000 tons at the site by 2010. This product is exclusively for the Chinese and Asian markets, and is not for export into the North American market.

Total investment in the new venture will be approximately \$100 million. Construction of the new plant is expected to start in August and be substantially completed in 2007, with some specialty installations continuing into 2008. The plant is expected to employ more than 400 people.

Ira Glazer, CEO of WRCA, said: "The formation of this new joint venture with WISCO is a great opportunity for WRCA. While the total wire rope market in China is 2.5 times the size of the U.S. market, and there are numerous wire rope manufacturers there, the majority of the product is of relatively low quality. Further, there is a significant quantity of wire rope being imported into China and the amount is expected to increase in the future. The joint venture will benefit from the lower costs of operation in China and the high-quality rod supply from WISCO. We will add our technical expertise to the favorable cost environment to produce a very competitive product for the local Chinese and broader Asian markets. We believe there is great demand for a higher-quality product to enable us to sell out our capacity and eventually expand.

"WISCO WRCA is the logical next step in the development of our business as we strive to become the world's leading wire rope provider," Mr. Glazer continued. "In the three years

since our business was acquired by KPS Special Situations Funds, we have undergone a dramatic turnaround. Following last year's acquisition of Aceros Cameasa in Mexico, we believe it is a natural progression to manufacture in Asia and to supply China, the biggest market in the world. We have found the WISCO group to be of the highest quality, very professional and dedicated to the swift completion of this project. Our management teams have significant respect for one another, which bodes well for the success of our new joint venture."

Many of WRCA's customers have overseas manufacturing operations. These customers will benefit from the joint venture by having an efficient local source of supply at world quality standards. The joint venture will focus on the more sophisticated parts of WRCA's product line such as oil and gas, mining and lifting products. It will also bring to the China market WRCA's expertise in fabricated products, particularly those used in bridge construction.

"Being one of the first providers with this level of quality gives us a distinct advantage, but to be successful in such a huge market, we must understand and approach the market intelligently," Mr. Glazer added. "WISCO WRCA has a tremendous amount of market knowledge that will be utilized to set attainable, measurable goals. Sales teams will be established to develop specific account strategies. The combination of WRCA's know-how with WISCO's connections to other Chinese enterprises will enable the joint venture to quickly initiate sales and establish a presence as the highest quality supplier, with a strong and lasting presence in China."

WISCO WRCA will be led by a five-person board of directors that will appoint a general manager to run the new production facility in Wuhan.

The Balloch Group was engaged by WRCA to help explore the possibilities of a strategic business initiative for WRCA in China. Balloch is a financial advisory and investment banking firm based in Beijing founded by the former Canadian Ambassador to China, Howard Balloch. Mr. Balloch commented, "WISCO WRCA has great promise as a long-term successful partnership between the world's leader in quality wire rope and one of China's most forward-looking steel groups. In all my years in China, I have never seen such a quick and smooth start-up. This very substantial undertaking is going to transform the wire rope industry in Asia."

WRCA is a portfolio company of KPS Special Situations Funds.

Wire Rope Corporation of America, based in St. Joseph, Missouri, is the largest manufacturer of wire rope in the Western Hemisphere. Through domestic and global manufacturing it distributes wire rope and fabricated products worldwide. WRCA is the only major wire rope manufacturer in the world to be API certified, QPL Qualified, and ISO-9001:2000 registered. The company operates seven manufacturing facilities in the United States and Mexico and has more than 1,400 employees.

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