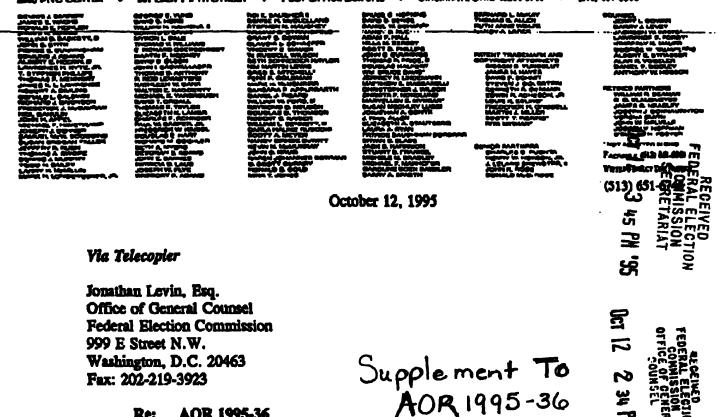
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Re: **AOR 1995-36**

Dear Mr. Levin:

This letter is in response to your questions of AK Steel Corporation ("AK Steel"). I hope that the information provided herein is sufficient for your purposes.

With respect to the issue of competition between AK Steel and Armoo Inc., I am advised by my client that the competition began in 1992, prior to the initial public offering, when Armco Inc. purchased a company known as Cyclops Industries.

You asked about the statement in our AOR that eight of the eleven officers at the executive management level of AK Steel, including the CEO, have no prior Armco Inc. experience. You indicated that your review of the Prospectus from the IPO referred to seven officers and that four of those officers had no prior Armoo Inc. experience. You asked if the three officers who did have Armco Inc. experience are the same today. My client advises me that one of the three officers with Armco Inc. experience mentioned in the Prospectus has retired.

You asked about the decision to expand the Board of Directors from seven members to ten members. My client advises that the By-Laws of the Corporation provide that the Board at inception was to consist of seven members and that the number may be expanded without shareholder approval. The Corporation expanded the number of Board members to ten. At the

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Jonathan Levin, Esq. October 12, 1995 Page 2

Annual Meeting held on May 17, 1995, the shareholders of the Corporation voted on and elected the current Board members.

You asked about current business transactions between AK Steel and Armco Inc. Our AOR indicates in paragraph (E) on page 4 that the companies do business with each other on an arms-length basis. Additionally, I am advised by my client that AK Steel continues to perform certain administrative service functions for Armco Inc., for a fee. I believe that these services are more fully described on pages F-13 and F-14 of the AK Steel Prospectus. With respect to the Joint Venture Termination Agreement which you asked about, I am advised by my client that it contains no transactions or language that is relevant to this matter.

If you should require any additional information, please don't hesitate to contact me.

Very truly yours,

Grant S. Cowan

GSC/gc

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