



NEWS RELEASE

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STELLEX AEROSTRUCTURES, INC. ANNOUNCES SALE OF SEAL LABORATORIES SUBSIDIARY TO MANAGEMENT GROUP

Lebanon, New Jersey, February 7, 2003. Stellex Aerostructures, Inc. announced the completion of the sale of its subsidiary, Scanning Electron Analysis Laboratories, Inc., known as SEAL Laboratories, in a management buyout led by SEAL's long-time President, Dr. Arun Kumar. SEAL, based in El Segundo, California, is an internationally prominent firm specializing in materials analysis, engineering and problem solving for government and industry. Terms of the sale were not disclosed.

Raynard D. Benvenuti, Stellex's President and Chief Operating Officer, stated: "Stellex is pleased to have concluded the sale of the business to Dr. Kumar and his team, who are uniquely qualified to expand upon the excellent reputation and success SEAL has earned over the years. SEAL's sale will further advance Stellex's goals of concentrating on its core business and expertise in major airframe components and assemblies, and pursuing complementary core acquisitions."

Dr. Kumar commented: "I have encountered several challenges during my 23 years employment at SEAL. This milestone will be my biggest challenge yet. I am confident that SEAL will continue to be a leader in the industry with the help of its dedicated and motivated professional employees, whom I have had the pleasure of working with over these years."

Stellex Aerostructures is a leading provider of highly engineered subsystems and components for the aerospace and defense industries. Stellex Aerostructures operates through Stellex Monitor Aerospace, Inc., Stellex Precision Machining, Inc. and the Stellex Aerospace Division. Stellex Monitor and Stellex Precision are leaders in the manufacturing of large complex machined parts and structural sub-assemblies for the aerospace industry. The Stellex Aerospace Division includes Stellex Bandy Machining, Inc., Stellex Paragon Precision, Inc., and General Inspection Laboratories, Inc. and is involved primarily in the precision

machining of turbomachinery components, aircraft hinges and other structural components for the aerospace and space industries.

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Readers should be aware that the foregoing paragraphs contain forward-looking statements regarding management's expectations for future operations and related results, which forward-looking statements may not be realized. Furthermore, readers are cautioned not to place undue reliance on any such forward-looking statements, each of which speak only as of the date made. Several important factors could cause Stellex's actual results of operations to differ materially from those expressed in the foregoing forward-looking statements, including fluctuations in worldwide prices and demand for our products, fluctuations in the demand for our services and the existence of competitors, technological changes and developments in the aerostructures industry.