UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)

OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended April 2, 2005

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)

OF THE SECURITIES EXCHANGE ACT OF 1934

For the Transition Period From _____ to ____

Commission file number 0-19687

SYNALLOY CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	**57-0426694**
(State or other jurisdiction of incorporation or organization)	*(IRS Employer Identification Number)*
2155 West Croft Circle **Spartanburg, South Carolina**	**29302**
(Address of principal executive offices)	*(Zip code)*

(864) 585-3605
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes _X_ No ___ .

Indicate by check mark whether the registrant is an accelerated filer as defined in Rule 12b-2 of the Exchange Act. Yes ____ No_X_

The number of shares outstanding of the registrant's common stock as of April 2, 2005 was 6,034,979.

Synalloy Corporation

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PART I. FINANCIAL INFORMATION

PART II. OTHER INFORMATION

Item 1. FINANCIAL STATEMENTS

Synalloy Corporation

Condensed Consolidated Balance Sheets

	Apr 2, 2005	Jan 1, 2005
	(Unaudited)	(Note)
Assets	------------------	------------------
Current assets		
Cash and cash equivalents	$ 4,369	$ 292,350
Accounts receivable, less allowance		
for doubtful accounts	20,141,981	14,471,257
Inventories		
Raw materials	10,162,680	12,502,420
Work-in-process	5,128,547	5,823,339
Finished goods	6,799,171	8,024,373
	------------------	------------------
Total inventories	22,090,398	26,350,132
Deferred income taxes	933,000	933,000
Prepaid expenses and other current assets	348,555	263,913

Current assets of discontinued operations	198,907	5,383,372
	-----------------	-----------------
Total current assets	43,717,210	47,694,024
Cash value of life insurance	2,566,099	2,554,099
Property, plant & equipment, net of accumulated		
depreciation of $38,241,000 and $37,532,000	18,108,338	18,228,863
Deferred charges and other assets	2,703,872	2,725,363
	-----------------	-----------------
Total assets	$ 67,095,519	$ 71,202,349
	==========	==========
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable	$ 7,593,650	$ 8,086,458
Accrued expenses	2,729,592	2,243,101
Current portion of environmental reserves	441,085	916,754
Income taxes payable	557,643	10,609
Current liabilities of discontinued operations	226,840	1,349,316
	-----------------	-----------------
Total current liabilities	11,548,810	12,606,238
Long-term debt	16,656,430	21,205,066
Environmental reserves	204,000	204,000
Deferred compensation	542,280	542,217
Deferred income taxes	2,715,000	2,715,000
Shareholders' equity		
Common stock, par value $1 per share - authorized		
12,000,000 shares; issued 8,000,000 shares	8,000,000	8,000,000
Retained earnings	43,942,545	42,553,345
Less cost of Common Stock in treasury:		
1,965,021 and 1,980,436 shares	(16,513,546)	(16,623,517)
	-----------------	-----------------
Total shareholders' equity	35,428,999	33,929,828
	-----------------	-----------------
Total liabilities and shareholders' equity	$ 67,095,519	$ 71,202,349
	==========	==========

Note: The balance sheet at January 1, 2005 has been derived from the audited consolidated financial statements at that date.

See accompanying notes to condensed consolidated financial statements.

Synalloy Corporation

Condensed Consolidated Statements of Operations

(Unaudited)	Three Months Ended	
	Apr 2, 2005	**Apr 3, 2004**
	------------------	------------------
Net sales	$ 32,734,490	$ 27,045,410
Cost of goods sold	27,595,935	23,197,439
	------------------	------------------
Gross profit	5,138,555	3,847,971
Selling, general and administrative expense	2,769,639	2,458,729
	------------------	------------------
Operating income	2,368,916	1,389,242
Other (income) and expense		
Interest expense	234,309	271,392
Other, net	(8,892)	(20)
	------------------	------------------
Income from continuing operations before income taxes	2,143,499	1,117,870
Provision for income taxes	646,000	391,000
	------------------	------------------
Net income from continuing operations	1,497,499	726,870
Loss from discontinued operations	(61,254)	(95,366)
Benefit from income taxes	(21,000)	(33,000)
	------------------	------------------
Net loss from discontinued operations	(40,254)	(62,366)
	------------------	------------------
Net income	$ 1,457,245	$ 664,504
	==========	==========
Net income (loss) per basic and diluted common share:		
Income from continuing operations	$.25	$.12
Loss from discontinued operations	($.01)	($.01)
	------------------	------------------
Net income	$.24	$.11
	==========	==========

Average shares outstanding		
Basic	6,026,037	5,989,304
	==========	==========
Diluted	6,168,434	6,066,061
	==========	==========

See accompanying notes to condensed consolidated financial statements

Synalloy Corporation

Condensed Consolidated Statements of Cash Flows

(Unaudited)	**Three Months Ended**	
	Apr 2, 2005	**Apr 3, 2004**
	-----------------	-----------------
Operating activities		
Net income from continuing operations	$ 1,497,499	$ 726,870
Adjustments to reconcile net income to net cash		
provided by continuing operating activities:		
Depreciation expense	717,218	706,331
Amortization of deferred charges	9,600	125,431
Deferred compensation	63	437
Deferred income taxes	-	337,307
Provision for losses on accounts receivable	165,761	174,969
Gain on sale of property, plant and equipment	(300)	(2,602)
Cash value of life insurance	(12,000)	(15,000)
Environmental reserves	(475,669)	(117,270)
Changes in operating assets and liabilities:		
Accounts receivable	(5,758,130)	(3,544,574)
Inventories	4,259,734	1,770,805
Other assets	(151,105)	(263,088)
Accounts payable	(492,808)	321,351
Accrued expenses	486,491	173,371
Income taxes payable	547,034	-
	-----------------	-----------------
Net cash provided by continuing		

operating activities	793,388	394,338
Net cash provided by discontinued operating activities	4,021,735	294,968
Net cash provided by operating activities	4,815,123	689,306
Investing activities		
Purchases of property, plant and equipment	(596,693)	(515,496)
Proceeds from sale of property, plant and equipment	300	5,287
Increase in notes receivable	-	(1,000,000)
Net cash used in investing activities	(596,393)	(1,510,209)
Financing activities		
(Payments on) proceeds from revolving lines of credit	(4,548,636)	823,623
Proceeds from exercised stock options	41,925	-
Net cash (used in) provided by financing activities	(4,506,711)	823,623
(Decrease) increase in cash and cash equivalents	(287,981)	2,720
Cash and cash equivalents at beginning of period	292,350	1,110
Cash and cash equivalents at end of period	$ 4,369	$ 3,830

See accompanying notes to condensed consolidated financial statements.

Synalloy Corporation

Notes To Condensed Consolidated Financial Statements

(Unaudited)

April 2, 2005

NOTE 1-- BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three-month period ended April 2, 2005, are not necessarily indicative of the results that may be expected for the year ending December 31, 2005. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's annual report on Form 10-K for the period ended January 1, 2005.

NOTE 2--INVENTORIES

Inventories are stated at the lower of cost (first-in, first-out method) or market.

NOTE 3--SALE OF ASSETS AND DISCONTINUED OPERATIONS

At the end of 2004, the Company sold certain of the assets associated with the Blackman Uhler, LLC dye business effective January 31, 2005. The sale has been completed and relevant operations were transferred to the purchaser by the end of the first quarter of 2005. The operations of the Colors Segment are being reported as discontinued operations.

NOTE 4--DEFERRED CHARGES AND OTHER ASSETS

Included in Deferred Charges and Other Assets is $2,051,000 of goodwill representing the excess of cost over fair value of net assets of businesses acquired. The amount recorded is evaluated annually for impairment.

NOTE 5--STOCK OPTIONS

The Company accounts for its stock-based compensation plans under the recognition and measurement principles of Accounting Standards Board Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations. Statement of Financial Accounting Standards No. 123 requires the Company to disclose pro forma net income and income per share data as if a fair value based accounting method had been used in the computation of compensation expense. Under APB No. 25, because the exercise price of the Company's employee stock options at least equals the market price of the underlying stock on the date of the grant, no compensation expense is recognized. For the first three months of 2005, options exercised, cancelled and expired totaled 26,766, 17,300 and 5,000 shares, respectively, leaving 505,000 options outstanding at April 2 2005. For purposes of the following pro forma disclosures, the estimated fair value of the options is amortized to expense over the options' vesting period:

	Three Months Ended	
	Apr 2, 2005	**Apr 3, 2004**
	------------------	------------------
Net income reported	$ 1,457,000	$ 665,000
Compensation expense, net of tax	(72,000)	(56,000)
	------------------	------------------
Pro forma net income	$ 1,385,000	$ 609,000
	==========	=========
Basic and diluted income per share	$.24	$.11
Compensation expense, net of tax	($.01)	($.01)
	------------------	------------------
Pro forma basic and diluted income per share	$.23	$.10
	==========	=========

NOTE 6--SEGMENT INFORMATION

	Three Months Ended	
	Apr 2, 2005	**Apr 3, 2004**
	-----------------	-----------------
Net sales		

Specialty Chemicals Segment	$11,520,000	$ 9,434,000
Metals Segment	21,214,000	17,611,000
	----------------	----------------
	$32,734,000	$27,045,000
	==========	=========
Operating income		
Specialty Chemicals Segment	$ 748,000	$ 663,000
Metals Segment	2,149,000	1,075,000
	----------------	----------------
	2,897,000	1,738,000
Unallocated expenses		
Corporate	529,000	349,000
Interest expense	234,000	271,000
Other (income) expense	(9,000)	-
	----------------	----------------
Income from continuing operations	$ 2,143,000	$ 1,118,000
	==========	=========

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following is management's discussion of certain significant factors that affected the Company during the quarter ended April 2, 2005.

Consolidated sales for the quarter from continuing operations were up, increasing 21 percent compared to the same period one year ago. The Company generated consolidated net income from continuing operations of $1,497,000, or $.25 per share compared to net earnings from continuing operations of $727,000, or $.12 per share, in 2004's first quarter. The Company recorded net losses from discontinued operations of $40,000, or $.01 per share, and $62,000, or $.01 per share, for the first quarter of 2005 and 2004, respectively. As a result, the Company earned $1,457,000, or $.24 per share, in the first quarter of 2005 compared to earning $665,000, or $.11 per share, in the first quarter of 2004.

Sales in the Specialty Chemicals Segment were up 22 percent in the first quarter of 2005 from the first quarter of 2004. Operating income was $748,000 and $663,000 for the first quarter of 2005 and 2004, respectively. The 13 percent increase in operating income in 2005 resulted primarily from the increase in sales as all three locations experienced improvements in sales and profits for the quarter as compared to the same quarter last year. As discussed in previous quarters, the Segment has introduced a new line of fire retardant chemicals and began receiving orders of the products at the end of the first quarter of 2005. Applications for this new line of chemicals include mattresses, furniture and home appliances, which are subject to proposed Federal fire retardant regulations that we believe will become effective in early 2006. Regulations already exist in California requiring mattress manufacturers to utilize fire retardant products that conform to the new regulations in their production process which began January 1, 2005. Qualifications of our products continue to have good success in each of the applications. In addition, our products offer a safer alternative to the use of certain compounds used in products currently servicing these industries. Management continues to expect the demand for fire retardant products to ramp up in the second half of 2005 and grow into significant volumes by the end of 2005. This Segment's business tends to be impacted by general economic conditions, and assuming no significant downturn in the general economy, management expects this Segment to continue to operate profitably going forward.

Dollar sales in the Metals Segment increased 20 percent for the first quarter of 2005 from the same quarter a year earlier. The increase resulted from 61 percent higher average selling prices partially offset by 26 percent lower unit volumes. Operating income doubled to $2,149,000 for the first quarter of 2005 compared to the same quarter last year. Surcharges paid on stainless steel raw materials increased about 50 percent in the quarter compared to 2004's first quarter. The Segment was able to pass through most of these cost increases which accounted for most of the increase in selling prices. Commodity pipe sales contributed to the decline in lower unit volumes from the first quarter of 2004, however, unit volumes were about 40 percent higher than 2004's third and fourth quarter amounts. The unit decline was partially offset by higher margin specialty alloy sales which increased for the sixth consecutive quarter. Because of the steadily increasing raw material and selling prices experienced in the quarter, the Segment generated higher profits from selling lower cost inventories which, coupled with the increase in special alloy sales, contributed to the significant profit improvement experienced for the quarter compared to the same period last year. Piping systems generated an operating profit in the first quarter compared to a loss experienced in the first quarter of 2004. Piping systems' backlog as of the end of the first quarter of 2005 was $12,900,000 compared to an $11,700,000 backlog at the end of the first

quarter of 2004. Although market conditions in this Segment continue to be very competitive, sales activity, pricing and unit volumes for commodity pipe have continued to improve over the past several quarters. Management remains optimistic about the current conditions that exist in the commodity pipe and specialty alloy markets. The Segment has been successful in penetrating new markets, such as projects in the LNG industry, where management believes there is significant growth potential. If piping systems can continue to generate sufficient volume through its operations, and demand for piping continues at it current level, management believes this Segment will continue to operate profitably.

Consolidated selling and administrative expense for the first quarter of 2005 increased $311,000, or 13 percent, compared to the first quarter of last year. However the expense was eight percent of sales for the quarter compared to nine percent for the same quarter last year. The dollar increase for the quarter resulted principally from profit incentives and environmental compliance costs. The Company is providing income taxes at an effective tax rate of 30 percent in the first quarter of 2005 compared to 35 percent in the same period last year, which resulted from reevaluating accruals for certain income tax contingencies provided for in previous periods.

At the end of 2004, the Company sold certain of the assets associated with the Blackman Uhler, LLC (BU) dye business effective January 31, 2005. The sale has been completed and relevant operations were transferred to the purchaser by the end of the first quarter of 2005. The operations of the Colors Segment are being reported as discontinued operations and the loss from discontinued operations reported for the first quarter came primarily from payments of severance to terminated employees.

In the first quarter of 2005, accounts receivable increased by $5,758,000 from the year ended 2004 amount. The increase resulted from the significant increase in sales, primarily in the Metals Segment, experienced in the quarter over the fourth quarter of 2004. Inventories declined $4,260,000 in the first quarter compared to the 2004 year ended amount as a result of planned inventory reductions in the Metals Segment. The sell of the BU dye business, along with collections of its accounts receivables, generated approximately $4,000,000 of cash during the first quarter and was included in the net cash provided by discontinued operating activities. These funds and net cash generated from continuing operating activities were used to reduce long term debt by $4,549,000 in the first quarter from the year end balance.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

This Form 10-Q includes and incorporates by reference "forward-looking statements" within the meaning of the securities laws. All statements that are not historical facts are "forward-looking statements." The words "estimate," "project," "intend," "expect," "believe," "anticipate," "plan" and similar expressions identify forward-looking statements. The forward-looking statements are subject to certain risks and uncertainties, including without limitation those identified below, which could cause actual results to differ materially from historical results or those anticipated. Readers are cautioned not to place undue reliance on these forward-looking statements. The following factors could cause actual results to differ materially from historical results or those anticipated: adverse economic conditions, the impact of competitive products and pricing, product demand and acceptance risks, raw material and other increased costs, customer delays or difficulties in the production of products, unavailability of debt financing on acceptable terms and exposure to increased market interest rate risk, inability to comply with covenants and ratios required by our debt financing arrangements and other risks detailed from time-to-time in Synalloy's Securities and Exchange Commission filings. Synalloy Corporation assumes no obligation to update the information included in this Form 10-Q.

Item 4. Controls and Procedures.

Based on the evaluation required by 17 C.F.R. Section 240.13a-15(b) or 240.15d-15(b) of the Company's disclosure controls and procedures (as defined in 17 C.F.R. Sections 240.13a-15(e) and 240.15d-15(e)), the Company's chief executive officer and chief financial officer concluded that the effectiveness of such controls and procedures, as of the end of the period covered by this quarterly report, was adequate.

No disclosure is required under 17 C.F.R. Section 229.308(c).

Item 5. Other Information

PART II: OTHER INFORMATION

Item 6. Exhibits

The following exhibits are included herein:

31 Rule 13a-14(a)/15d-14(a) Certifications of Chief Executive Officer and Chief Financial Officer

32 Certifications Pursuant to 18 U.S.C. Section 1350

3.1 Restated Certificate of Incorporation of Registrant, as amended

10.19 Amended Loan and Security Agreement, dated as of March 21, 2005, between Registrant and Wells Fargo Foothill, Inc.

The Company filed a Form 8-K on February 2, 2005 pursuant to Item 8.01. Form 8-Ks were filed on February 15, 2005 and April 28, 2005 disclosing information pursuant to Item 1.01. A Form 8-K was filed on February 17, 2005 disclosing information pursuant to Items 2.02 and 9.01.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SYNALLOY CORPORATION

(Registrant)

Date: May 16, 2005 By: **/s/ Ralph Matera**

Ralph Matera

President and Chief Executive Officer

Date: May 16, 2005 By: **/s/ Gregory M. Bowie**

Gregory M. Bowie

Vice President Finance and Chief Financial Officer

CERTIFICATIONS Exhibit 31

I, Ralph Matera, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Synalloy Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

a. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

-

Date: May 16, 2005 /s/Ralph Matera

Ralph Matera
Chief Executive Officer

I, Gregory M. Bowie, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Synalloy Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 16, 2005

/s/Gregory M. Bowie

Gregory M. Bowie
Vice President, Finance and Chief Financial Officer

Exhibit 32

Certifications Pursuant to 18 U.S.C. Section 1350

The undersigned, who are the chief executive officer and the chief financial officer of Synalloy Corporation, each hereby certifies that, to the best of his knowledge, the accompanying Form 10-Q of the issuer fully complies with the requirements of Section 13(a)or 15(d) of the Securities Exchange Act of 1934, and that information contained in the report fairly presents, in all material respects, the financial condition and results of operations of the issuer.

May 16, 2005 s/Ralph Matera

Ralph Matera
Chief Executive Officer

s/Gregory M. Bowie

Gregory M. Bowie
Vice President, Finance and Chief Financial Officer

SEVENTH AMENDMENT TO LOAN AND SECURITY AGREEMENT

This SEVENTH AMENDMENT TO LOAN AND SECURITY AGREEMENT (this " Amendment") is entered into as of March 21, 2005 by and among **SYNALLOY CORPORATION**, a Delaware corporation ("Parent"), and each of Parent's Subsidiaries identified on the signature pages hereof (such Subsidiaries, together with Parent, are referred to hereinafter each individually as a "Borrower," and individually and collectively, jointly and severally, as "Borrowers"), and **WELLS FARGO FOOTHILL, INC.**, formerly known as Foothill Capital Corporation, a California corporation ("Lender").

WITNESSETH:

WHEREAS, Borrowers and Lender are parties to that certain Loan and Security Agreement dated as of July 26, 2002, as amended by that certain First Amendment to Loan and Security Agreement dated as of January 28, 2003, as further amended by that certain Second Amendment to Loan and Security Agreement and Consent dated as of July 24, 2003, as further amended by that certain Third Amendment to Loan and Security Agreement dated as of July 12, 2004, as further amended by that certain Fourth Amendment to Loan and Security Agreement dated as of September 8, 2004, as further amended by that certain Fifth Amendment to Loan and Security Agreement and Consent dated as of January 31, 2005 and as further amended by that certain Sixth Amendment to Loan and Security Agreement dated as of February 15, 2005 (as may be further amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"; capitalized terms used herein without definition shall have the respective meanings ascribed to such terms in the Loan Agreement); and

WHEREAS, Borrowers and Lender have agreed to amend certain terms and conditions of the Loan Agreement as set forth herein.

NOW THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

I.

AMENDMENT TO THE LOAN AGREEMENT.

Amendment to Section 7.20(a)(i) of the Loan Agreement. Section 7.20(a)(i) of the Loan Agreement, Minimum EBITDA, is hereby amended by deleting deleting it in its entirety and replacing it with the following:

"(i) **Minimum EBITDA**. EBITDA, measured on a fiscal month-end basis, of not less than the required amount set forth in the following table for the applicable period set forth opposite thereto:

Applicable Amount	Applicable Period
$4,662,000	For the 12-month period ending January 31, 2005
$4,218,000	For the 12-month period ending February 28, 2005
$3,830,000	For the 12-month period ending March 31, 2005
$3,690,000	For the 12-month period ending April 30, 2005
$3,515,000	For the 12-month period ending May 31, 2005
$3,344,000	For the 12-month period ending June 30, 2005
$3,755,000	For the 12-month period ending July 31, 2005
$3,601,000	For the 12-month period ending August 31, 2005
$3,367,000	For the 12-month period ending September 30, 2005
$3,433,000	For the 12-month period ending October 31, 2005
$3,680,000	For the 12-month period ending November 30, 2005
$3,791,000	For the 12-month period ending December 31, 2005

provided, however, that based upon Borrower's Projections delivered to Lender pursuant to Section 6.3(c) no later than December 1, 2005, Lender shall establish monthly EBITDA covenants for each fiscal month after December 2005, and the covenants shall be presented to Borrower for its approval, which approval shall not be unreasonably withheld. In the event Borrower does not approve the proposed covenants, Lender shall establish such covenants, in its Permitted Discretion, based upon Borrower's Projections for the applicable fiscal year."

II.

NO OTHER AMENDMENTS AND WAIVERS.

Except as otherwise expressed herein, the execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of Lender under the Loan Agreement or any of the other Loan Documents, nor constitute a waiver of any provision of the Loan Agreement or any of the other Loan Documents. Except for the amendments and waiver set forth above, the text of the Loan Agreement and all other Loan Documents shall remain unchanged and in full force and effect and each Borrower hereby ratifies and confirms its obligations thereunder. This Amendment shall not constitute a modification of the Loan Agreement or a course of dealing with Lender at variance with the Loan Agreement such as to require further notice by Lender to require strict compliance with the terms of the Loan Agreement and the other Loan Documents in the future, except as expressly set forth herein. Each Borrower acknowledges and expressly agrees that Lender reserves the right to, and does in fact, require strict compliance with all terms and provisions of the Loan Agreement and the other Loan Documents. Borrowers have no knowledge of any challenge to Lender's claims arising under the Loan Documents or the effectiveness of the Loan Documents.

III.

CONDITIONS PRECEDENT TO EFFECTIVENESS.

This Amendment shall become effective and be deemed effective upon Lender's receipt of each of the following in form and substance acceptable to Lender:

1. counterparts of this Amendment duly executed by Borrowers and Lender; and
2. such other information, documents, instruments or approvals as Lender or Lender's counsel may reasonably require.

IV.

REPRESENTATIONS AND WARRANTIES OF BORROWERS.

Each Borrower represents and warrants to Lender as follows:

1. Each Borrower is duly organized and existing and in good standing under the laws of the jurisdiction of its organization and qualified to do business in any state where the failure to be so qualified reasonably could be expected to have a Material Adverse Change.
2. The execution, delivery, and performance by each Borrower of this Amendment and the Loan Documents to which it is a party, as amended hereby, are within such Borrower's corporate or partnership authority, have been duly authorized by all necessary corporate or partnership action and do not and will not (i) violate any provision of federal, state, or local law or regulation applicable to such Borrower, the Governing Documents of any Borrower, or any order, judgment, or decree of any court or other Governmental Authority binding on any Borrower, (ii) conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any material contractual obligation of any Borrower, (iii) result in or require the creation or imposition of any Lien of any nature whatsoever upon any properties or assets of any Borrower, other than Permitted Liens, or (iv) require any approval of any Borrower's shareholders, partners, or members or any approval or consent of any Person under any material contractual obligation of any Borrower.
3. The execution, delivery, and performance by each Borrower of this Amendment and the Loan Documents to which it is a party, as amended hereby, do not and will not require any registration with, consent, or approval of, or notice to, or other action with or by, any Governmental Authority or other Person.
4. This Amendment and each other Loan Document to which each Borrower is a party, and all other documents contemplated hereby and thereby, when executed and delivered by such Borrower will be the legally valid and binding obligations of such Borrower, enforceable against each Borrower in accordance with their respective terms, except as enforcement may be limited by equitable principles or by bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or limiting creditors' rights generally.
5. No Default or Event of Default is existing.

V.

MISCELLANEOUS.

1. Counterparts. This Amendment may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same agreement. Delivery of an executed counterpart of this Amendment by telefacsimile or by email transmission of an Adobe portable document format file (also known as a "PDF file") shall be equally as effective as delivery of an original executed counterpart of this Amendment. Any party delivering an executed counterpart of this Amendment by telefacsimile or by email also shall deliver an original executed counterpart of this Amendment but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Amendment.
2. Reference to and Effect on the Loan Documents. Upon the effectiveness of this Amendment, on and after the date hereof each reference in the Loan Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Loan Agreement, and each reference in the other Loan Documents to "the Loan Agreement", "thereunder", "thereof" or words of like import referring to the Loan Agreement, shall mean and be a reference to the Loan Agreement as amended hereby.

3. Costs, Expenses and Taxes. Borrowers agree to pay on demand all reasonable costs and expenses in connection with the preparation, execution, and delivery of this Amendment and the other instruments and documents to be delivered hereunder, including, without limitation, the reasonable fees and out-of-pocket expenses of counsel for Lender with respect thereto and with respect to advising Lender as to its rights and responsibilities hereunder and thereunder.

4. Governing Law. The validity of this Amendment, the construction, interpretation, and enforcement hereof, and the rights of the parties hereto with respect to all matters arising hereunder or related hereto shall be determined under, governed by, and construed in accordance with the laws of the State of Georgia, without regard to the conflicts of law principles thereof.

5. Loan Document. This Amendment shall be deemed to be a Loan Document for all purposes.

[SIGNATURES OMITTED

RESTATED

CERTIFICATE OF INCORPORATION

OF

SYNALLOY CORPORATION (DELAWARE)

(as amended)

ARTICLE ONE

The name of the Corporation is Synalloy Corporation.

ARTICLE TWO

The address of the registered office of the Corporation in the State of Delaware is Corporation Trust Center, 1209 Orange Street in the City of Wilmington, County of New Castle. The name of the registered agent of the Corporation as such address is the Corporation Trust Company.

ARTICLE THREE

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

ARTICLE FOUR

The aggregate number of shares of all classes of stock which the Corporation shall have authority to issue is twelve million (12,000,000) shares of Common Stock, par value One Dollar ($1.00) per share. Except as may be provided by the Laws of the State of Delaware or this Certificate of Incorporation, the holders of the Common Stock shall have exclusively all rights of stockholders. The holders of the Common Stock shall be entitled to one vote per share and to vote such shares cumulatively at all elections of directors of the Corporation.

ARTICLE FIVE

The business and affairs of the Corporation shall be managed under the direction of the Board of Directors. The Board of Directors shall fix the number of directors to serve on the Board of Directors which shall consist of not less than three nor more than fifteen and may be increased or decreased above or below these limits only by amendment to this Certificate of Incorporation.

ARTICLE SIX

The following provisions are hereby adopted for the purpose of defining, limiting and regulating the powers of the Corporation and of its directors and stockholders:

1. The Corporation reserves the right from time to time to make any amendment to its Certificate of Incorporation, now or hereafter authorized by law, including any amendment which alters the contract rights as expressly set forth therein, of any outstanding stock.
2. The Board of Directors is expressly authorized to adopt, alter and repeal the Bylaws of the Corporation in whole or in part at any regular, or special meeting of the Board of Directors, by vote of a majority of the entire Board of Directors. Such power shall not divest the stockholders of the power nor limit their power to adopt, amend, or repeal bylaws.
3. The Board of Directors may determine from time to time the amount and type of compensation which shall be paid to its members for service on the Board of Directors. The Board of Directors shall also have power, in its discretion, to provide for and to pay to directors rendering services to the Corporation not ordinarily rendered by directors, as such, special compensation appropriate to the value of such services, as determined by the Board from time to time.
4. Any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (whether or not by or in the right of the Corporation) by reason of the fact that he is or was a director, officer, incorporator, employee, or agent of the Corporation, or any predecessor of the Corporation, or is or was serving at the request of the Corporation, or any predecessor of the Corporation, as a director, officer, incorporator, employee, or agent of another corporation, or partnership, joint venture, trust, or other enterprise (including an employee benefit plan), shall be entitled to be indemnified by the Corporation to the full extent then permitted by law against expenses (including attorneys' fees), judgments, fines (including excise taxes assessed on a person with respect to an employee benefit plan), and amounts paid in settlement incurred by him in connection with such action, suit or proceeding. Such right of indemnification shall continue as to a person who has ceased to be a director, officer, incorporator, employee, or agent and shall inure to the benefit of the heirs and personal representatives of such a person. Subject only to any limitations prescribed by the laws of the State of Delaware now or hereafter in force, the foregoing shall not limit the authority of the Corporation to indemnify the directors, officers and other employees and agents of this Corporation consistent with law and shall not be deemed to be exclusive of any rights to which those indemnified may be entitled as a matter of law or under any resolution, Bylaw provision, or agreement.
5. Whenever a compromise or arrangement is proposed between this Corporation and its creditors or any class of them and/or between this Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the

application in a summary way of this Corporation or of any creditor or stockholder thereof, or on the application of any receiver or receivers appointed for this Corporation under the provisions of Section 291 or Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under the provisions of Section 279 of Title 8 of the Delaware Code order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this Corporation as a consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of this Corporation, as the case may be, and also on this Corporation.

6. A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts of omissions not in good faith or that involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law of the State of Delaware, as it now exists or hereafter may be amended, or (iv) for any transaction from which the director derived an improper personal benefit. If the General Corporation Law of the State of Delaware is amended hereafter to authorize the further elimination or limitation of the liability of directors, then the liability of a director of the Corporation, in addition to the limitation of personal liability provided herein, shall be limited to the fullest extent permitted by the amended General Corporation Law of the State of Delaware. Any amendment, repeal or modification of this paragraph by the stockholders of the Corporation shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director of the Corporation existing at the time of such amendment, repeal or modification. This paragraph 6 does not affect the availability of equitable remedies for breach of fiduciary duties.
7. The Corporation expressly elects not to be governed by the provisions of Section 203 of the General Corporation Law of the State of Delaware.

ARTICLE SEVEN

The name and address of the incorporator is Joseph J. Blake, Jr., Esquire; Haynsworth, Marion, McKay & Guerard; 75 Beattie Place, Eleventh Floor, Two Shelter Centre, Post Office Box 2048; Greenville, South Carolina 29602.

The powers of the incorporator are to terminate upon the filing of this Certificate of Incorporation. The names and mailing addresses of the persons who are to serve as a director until the first annual meeting of stockholders
or until his respective successor has been elected and qualified are as follows:

P. Clarke Blackman
1010 Glendalyn Circle
Spartanburg, SC 29302

Joseph J. Blake, Jr.
Haynsworth, Marion, McKay & Guerard
Post Office Box 2048
Greenville, SC 20602

Barry F. Cohen
Barry F. Cohen & Company
1776 Broadway, 24th Floor
New York, New York 10019

Louis R. Proyect
Spear, Leeds & Kellogg
115 Broadway
New York, New York 10006

Owen M. Evans
2400 Eastview Road
Rock Hill, SC 29730

Sibyl N. Fishburn
3542 Peakwood Drive, SW
Roanoke, Virginia 24014

Edward A. Kerbs
Spear, Leeds & Kellogg
115 Broadway
New York, New York 10006

James G. Lane, Jr.
Synalloy Corporation
Post Office 5627
Spartanburg, SC 29304

Carol D. Vinson

U.S. Shelter Corporation
Post Office Box 1089
Greenville, SC 29602

IN WITNESS WHEREOF, I have made, signed and sealed this Certificate of Incorporation this 2nd day of June, 1988, and hereby acknowledge the execution thereof as my act and deed.

____

Joseph J. Blake, Jr., Incorporator