

-----  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
-----

AMENDMENT NO. 3  
TO  
SCHEDULE 14D-1

Tender Offer Statement  
Pursuant to Section 14(d)(1) of the Securities Exchange Act of 1934

PROLER INTERNATIONAL CORP.  
(Name of Subject Company)

PIC ACQUISITION CORPORATION

AND  
SCHNITZER STEEL INDUSTRIES, INC.  
(Bidders)

COMMON STOCK, \$1.00 PAR VALUE  
(Including the associated rights)  
(Title of Class of Securities)

743396-10-3  
(CUSIP Number of Class of Securities)

ANTON U. PARDINI  
SCHNITZER STEEL INDUSTRIES, INC.  
3200 N.W. YEON AVENUE  
PORTLAND, OREGON 97210  
(503) 323-2807

(Name, Address and Telephone Number of Person Authorized  
to Receive Notices and Communications on Behalf of Bidder)

COPY TO:  
STUART W. CHESTLER  
STOEL RIVES LLP  
900 SW FIFTH AVENUE, SUITE 2300  
PORTLAND, OREGON 97204-1268  
-----

CALCULATION OF FILING FEE

Transaction Valuation*	Amount of Filing Fee*
\$35,404,125	\$7,081

\* The transaction valuation assumes the purchase of 4,720,550 shares of Common Stock together with the associated stock rights of Proler International Corp. at \$7.50 per share in cash, which is based on the number of shares of Common Stock represented by the Company to be outstanding (4,717,356) and the number of shares of Common Stock issuable under restricted stock awards (3,194) as of September 15, 1996. The amount of the filing fee, calculated in accordance with Rule 0-11(d) under the Securities Exchange Act of 1934, equals 1/50 of one percent of the cash offered by the Bidder.

/X/

Check box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid:..... \$7,081  
Form or Registration No.:..... Schedule 14D-1  
Filing Party:..... PIC Acquisition Corporation  
Schnitzer Steel Industries,  
Inc.  
Date Filed:..... September 20, 1996

CUSIP No. 743396-10-3

14D-1

- 
1. Name of reporting person  
SS or I.R.S. Identification No. of above person  
PIC Acquisition Corporation, I.R.S. No.: 93-1219503
- 
2. Check the appropriate box if a member of a group (a) / /  
(b) / /
- 
3. SEC Use Only
- 
4. Sources of Funds  
AF
- 
5. Check box if disclosure of legal proceedings is required pursuant to Items 2(e) /X/  
OR 2(f)
- 
6. Citizenship or place of organization  
Delaware
- 
7. Aggregate amount beneficially owned by each reporting person  
None (0)
- 
8. Check box if the aggregate amount in row (7) excludes certain shares. / /
- 
9. Percent of class represented by amount in row (7)  
None (0)
- 
10. Type of reporting person  
CO
- 

2

CUSIP No. 743396-10-3

14D-1

- 
1. Name of reporting person  
SS or I.R.S. Identification No. of above person  
Schnitzer Steel Industries, Inc., I.R.S. No.: 93-0341923
- 
2. Check the appropriate box if a member of a group (a) / /  
(b) / /
- 
3. SEC Use Only

-----  
4. Sources of Funds  
BK

-----  
5. Check box if disclosure of legal proceedings is required pursuant to Items 2(e) /X/  
OR 2(f)

-----  
6. Citizenship or place of organization  
Oregon

-----  
7. Aggregate amount beneficially owned by each reporting person  
None (0)

-----  
8. Check box if the aggregate amount in row (7) excludes certain shares. / /

-----  
9. Percent of class represented by amount in row (7)  
None (0)

-----  
10. Type of reporting person  
CO

-----

3

PIC Acquisition Corporation and Schnitzer Steel Industries, Inc. hereby amend and supplement their Tender Offer Statement on Schedule 14D-1 (the "Statement"), originally filed on September 20, 1996, as amended by Amendments No. 1 and No. 2, with respect to their offer to purchase all outstanding shares of Common Stock, par value \$1.00 per share, of Proler International Corp., a Delaware corporation, together with the associated stock rights, to extend the Offer until 5:00 p.m., Eastern time on Friday, November 15, 1996, and as further set forth in this Amendment No. 3. A copy of the press release dated November 1, 1996 announcing the extension of the Offer is attached hereto as Exhibit (a)(11) and is incorporated herein by reference. Capitalized terms not defined herein have the meanings assigned thereto in the Statement.

ITEM 11. MATERIAL TO BE FILED AS EXHIBITS.

- (a) (1) Offer to Purchase, dated September 20, 1996.+
  - (2) Letter of Transmittal.+
  - (3) IRS Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9.+
  - (4) Form of Summary Advertisement, dated September 20, 1996.+
  - (5) Form of Notice of Guaranteed Delivery.+
  - (6) Form of Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.+
  - (7) Form of Letter to Clients for Use by Brokers, Dealers, Commercial Banks, Trust Companies and other Nominees.+
  - (8) Press Release, dated September 16, 1996.+
  - (9) Press Release, dated October 7, 1996.+
  - (10) Press Release, dated October 18, 1996.+
  - (11) Press Release, dated November 1, 1996\*
- (b) Credit Agreement dated as of March 27, 1995, among Schnitzer, the syndicate of lenders party thereto and The First National Bank of Chicago, as Agent.+

- (c) (1) Agreement and Plan of Merger, dated September 15, 1996, among the Purchaser, Schnitzer and the Company.+
  - (2) Agreement with Depositary.+
  - (3) Agreement with Information Agent.+
  - (4) Confidentiality Agreement dated as of June 11, 1996.+
- (d) Not applicable.+
- (e) Not applicable.+
- (f) The Offer to Purchase and the Letter of Transmittal are incorporated herein by reference.+

-----  
 \* Filed herewith.

+ Previously filed.

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Statement is true, complete and correct.

Date: November 1, 1996  
 -----

PIC ACQUISITION CORPORATION

By: /s/ ANTON U. PARDINI  
 -----  
 Name: Anton U. Pardini  
 -----  
 Title: Assistant Secretary and General Counsel  
 -----

SCHNITZER STEEL INDUSTRIES, INC.

By: /s/ BARRY ROSEN  
 -----  
 Name: Barry Rosen  
 -----  
 Title: Vice President of Finance  
 -----

NOVEMBER 1, 1996

FOR IMMEDIATE RELEASE  
CONTACT:TOM ZELENKA  
(503) 323-2821

PRESS RELEASE

SCHNITZER STEEL INDUSTRIES, INC. ANNOUNCES EXTENSION  
OF TENDER OFFER TO ACQUIRE PROLER INTERNATIONAL CORP.

Portland, Oregon, November 1, 1996--Schnitzer Steel Industries, Inc. (NASDAQ:SCHN) today announced that it has extended its tender offer to purchase all outstanding shares of Proler International Corp. (Proler) for \$7.50 per share in cash until 5:00 p.m., Eastern time on Friday, November 15, 1996. The extension will also extend the period for withdrawal rights until November 15, 1996. The tender offer was previously extended from October 18, 1996 to November 1, 1996. As previously announced, on September 15, 1996 Schnitzer and Proler signed a definitive merger agreement for the acquisition of Proler by Schnitzer through a cash tender offer and merger at a price of \$7.50 in cash for each Proler share. Schnitzer's tender offer commenced on September 20, 1996.

As of 5:00 p.m., Eastern time on October 31, 1996 approximately 2.8 million shares of Proler common stock had been tendered. Except for the extension of the tender offer, the terms of the tender offer remain unchanged.

Schnitzer operates one of the largest scrap recycling businesses in the Western United States. The Company supplies ferrous scrap to Asian and domestic steel producers through its scrap collection, processing and deep water facilities located in Oakland, California; Portland, Oregon; and Tacoma, Washington. The Company also operates collection and processing facilities in Eugene, Bend, White City and Grants Pass, Oregon; and Sacramento and Fresno, California. Schnitzer's subsidiary, Cascade Steel Rolling Mills, Inc. (Cascade) operates the only vertically integrated mini-mill in the Western United States which can obtain its entire scrap requirements from its own scrap operations. Cascade's steel mini-mill in McMinnville, Oregon manufactures rebar, merchant bar, fence posts, special sections and grape stakes. In addition, Cascade maintains mill depots in Union City and El Monte, California.