

April 11, 2008

## April 2008 Alloy Surcharge Announcement – Manganese Clarification

To You, Our Valued Customers,

This letter is in clarification of the previously announced Manganese Surcharge. The Manganese surcharge has been calculated as an across the board addition to each steel grade. The surcharge will be based on the minimum Manganese addition that is made to any of our steel grades. This minimum amount represents the smallest basic addition that is made to all of our steel grades.

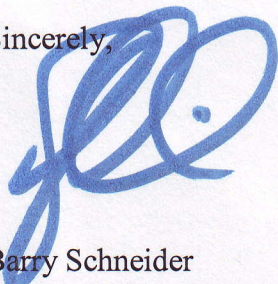
The basis for the Manganese remains as posted at \$0.40/lb. The yield factor also remains as posted at 85%. The Index value for the price in Manganese in April is \$1.57/lb.

The minimum Manganese usage for all of our products is 0.45% by weight Manganese. This weight percentage calculates to a surcharge amount of \$0.62/cwt for April 2008.

It is our hope that Manganese prices will stabilize to more historical levels in the near future. We will continue to monitor the market pricing for Manganese. Based on developments in the Manganese pricing, we will re-evaluate the need to surcharge Manganese based on actual usage by grade as opposed to this minimum approach.

Please contact our Sales Team if you would like further clarification for the Manganese Surcharge Policy.

Sincerely,



Barry Schneider  
Vice President & General Manager  
Engineered Bar Products Division