



March 14, 2018

TO: Our Valued Customers

SUBJECT: Monthly Materials Cost and Manganese Surcharges –
April 2018

Please note that effective with the April 2018 Materials Cost Surcharge covering all transaction business for all Hot Rolled grades and sizes, Republic will calculate scrap based on the Chicago – Expanded Footprint as follows:

| Product | Scrap | Manganese | Total Surcharge |
|--------------------------------|----------|-----------|-----------------|
| Hot Rolled Bar & Semi-Finished | \$ 10.25 | \$ 0.49 | \$ 10.74 /cwt |

This monthly Materials Cost Surcharge is applicable to all shipments not covered by a Scrap Surcharge or Raw Material Surcharge. Nickel, Molybdenum, Chrome, Vanadium, and Fuel Surcharges will remain in effect and are in addition to the above. The alloy surcharge for a few common grades are as follows:

| Grade | Surcharge | Grade | Surcharge |
|-------|-----------|-------|-----------|
| 4037 | \$ 2.71 | 4340 | \$ 9.61 |
| 4140 | \$ 3.32 | 8620 | \$ 4.57 |

The monthly Material Cost Surcharge announcement applicable to Cold Finished products will be sent in a separate letter.

Please refer any questions to your Republic Field or Inside Sales Representative.

Regards,

J. T. Thielens, Jr.
Executive Vice President Commercial