



April 13, 2018

TO: Our Valued Customers

SUBJECT: Monthly Materials Cost and Manganese Surcharges –
May 2018

The May 2018 Materials Cost Surcharge covering all transaction business for all Hot Rolled grades and sizes, will be as follows:

| Product | Scrap | Manganese | Total Surcharge |
|--------------------------------|----------|-----------|-----------------|
| Hot Rolled Bar & Semi-Finished | \$ 10.75 | \$ 0.50 | \$ 11.25/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 | \$ 2.88 | 4340 | \$ 9.56 |
| 4140 | \$ 3.45 | 8620 | \$ 4.63 |

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