



Bagdad Plant
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Thomas J. Nese
Marketing and Technical Services Manager
Electrical Steels

March 6, 2008

To Our Valued Customers:

Subject: Grain Oriented Electrical Steel Surcharge

Effective with shipments beginning Tuesday, April 1, 2008, a surcharge of \$514 per ton (\$25.70/cwt) is being added to grain oriented electrical steel invoices. This surcharge is subject to monthly adjustment.

For further information, contact your ATI Allegheny Ludlum sales representative or visit our web site at www.alleghenyludlum.com.

Sincerely,

A handwritten signature in blue ink that reads "Thomas J. Nese".

Thomas J. Nese
Marketing and Technical Services Manager
Electrical Steels