



Bagdad Plant
585 Silicon Drive
Leechburg, PA 15656
Phone: 1-800-289-7454
e-mail: tnese@alleghenyludlum.com

Thomas J. Nese
Marketing and Technical Services Manager
Grain-Oriented Electrical Steel

August 12, 2008

To Our Valued Customers:

Subject: Grain-Oriented Electrical Steel Surcharge

Effective with shipments beginning Wednesday, October 1, 2008, a surcharge of \$1,075 per ton (\$53.75/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". The signature is written in a cursive, flowing style.

Thomas J. Nese
Marketing and Technical Services Manager
Grain-Oriented Electrical Steel