

**Revision of Aubert & Duval pricing policy
Alloys Surcharges applicable at contractual date of
shipment**

July 9, 2012



ERAMET

ALLOYS, ORES & PEOPLE.

Why Alloys Surcharges at contractual date of shipment ?

- ❑ High volatility of raw material markets vs. steel production cycles. Steel producers undergo these strong variations.
- ❑ Alignment of the Alloys Surcharges with the raw material costs is required.
- ❑ No speculation as date of application of Alloys Surcharges is contractually defined at the order.

Pourquoi passer à un Delta Alliage à la date contractuelle d'expédition?

- ❑ La forte volatilité du marché des matières premières n'est pas compatible avec les cycles de production des aciers. Les sidérurgistes subissent ces grandes variations.
- ❑ Un alignement entre les Deltas Alliages et le coût des matières premières est donc nécessaire.
- ❑ Pas de spéculation possible, car la date d'application du Delta Alliage est définie contractuellement à la commande.

Benchmarking

- ATI
- Böhler
- Carpenter
- Industeel
- Latrobe
- Outokumpu
- Tata Steel

ATI

ATI Ludlum :

3. **PRICE ADJUSTMENT AND PAYMENT.** Unless otherwise indicated on the face hereof **the prices and charges stated herein for Products shall be invoiced at the prices and charges in effect at the time of shipment** as reflected on the then current price list of Seller.

Such purchase price must be paid in accordance with the terms on the face hereof without deductions, set offs, counterclaims, backcharges or any other charges whatever and the obligations of Buyer to Seller shall remain unimpaired regardless of disputes which may

ATI Allvac ATI Allvac

Allvac's standard raw material index (RMI) is published quarterly based upon the difference in the "Prior QTR's Cost" vs. "Base Cost" for the critical elements used in melting nickel, cobalt, and specialty steel alloys. The "Prior QTR's Cost" values are taken from known, published sources as identified below.

The current raw material indices are effective with shipments during the current quarter (Quarter 3, 2012) for standard products.

* Note: For Nickel, a producer premium for Class 1 Ni is added to reflect the actual cost of Ni used in vacuum melting.

[Click here for RMI Calculator](#)

Choose Alloy Type :

Effective : Quarter 3, 2012

Alloy	Std RMI		Alloy	Std RMI		Alloy	Std RMI	
	Bar	Billet		Bar	Billet		Bar	Billet
A22 (Nickelvac 22)	\$5.90	\$5.64	Nickelvac 188	\$4.36	\$4.17	Nickelvac HN	\$6.79	\$6.50
Alloy 75 (Sheffield)	\$4.74	\$4.54	Nickelvac 200	\$5.51	\$5.28	Nickelvac HW	\$7.69	\$7.35
Allvac 1410	\$1.75	\$1.67	Nickelvac 22 (C-22)	\$5.90	\$5.64	Nickelvac HX	\$4.59	\$4.39
Allvac 500 ZB	\$5.29	\$5.06	Nickelvac 23 (C-20)	\$2.84	\$2.71	Nickelvac K-500	\$3.62	\$3.46
Allvac 520	\$6.42	\$6.03	Nickelvac 330	\$2.29	\$2.20	Nickelvac L-605	\$4.67	\$4.46

Böhler

Business Area TA
Aircraft Materials

Legierungszuschläge Luftfahrt-Marken (am Tag der Lieferung)
Alloy Extras for Aircraft grades (date of delivery)
 Gültig ab 01.10.2011 bis auf Widerruf / valid until recalled



Marke	Wst. Nr.	EUR/to
A700	1.4544	2.380
A750	-1.4546	2.420
D242SA		655
N100	1.4006	662
N408 (N404SO)	1.4418	1.765
N700	1.4548	1.440
N701	1.4545	1.650
N710		2.700
N719	-1.4534	2.575
N750	-1.4564	1.655
T200/T200SO	1.4944	5.085
T200SA	1.4943	5.085
T222	1.4974	6.280
T552SG	1.4933	1.435
T555		1.065
T670	1.4594	1.950
V330SH	1.7220	573
V340SB	1.7214	615
V354	1.7734	757

Böhler

Legierungszuschläge Alloy Surcharges
 am Tag der Lieferung / date of delivery
 gültig ab / valid from: 01.10.2011



Böhler Marke	W.Nr.	EUR/to	UK GBP/to	CH SFR/to	AUS AUD/to	J JEN/to	CAN CAD/to	USA USD/to	SA ZAR/to
K100	2080	668	590	781	902	75.678	931	958	6.100
K105	2601	1.394	1.231	1.630	1.882	157.926	1.944	2.000	12.740
K107	2436	1.073	947	1.255	1.449	121.560	1.496	1.539	9.800
K110	2379	1.504	1.328	1.759	2.031	170.388	2.097	2.157	13.740
K137	SKD11	1.535	1.355	1.795	2.073	173.900	2.140	2.202	14.020
K190PM	2380	3.190	2.816	3.731	4.308	361.395	4.448	4.576	29.150
K200	2067	285	252	333	385	32.288	397	409	2.600
K245	2101	241	213	282	325	27.303	336	346	2.200
K247	2249	317	280	371	428	35.913	442	455	2.900
K294PM		5.645	4.984	6.602	7.623	639.522	7.871	8.098	51.580
K300	2631	1.937	1.710	2.265	2.616	219.443	2.701	2.779	17.700
K305	2363	1.009	891	1.180	1.363	114.310	1.407	1.447	9.220
K306	2345	1.737	1.534	2.031	2.346	196.785	2.422	2.492	15.870

Carpenter

Raw Material and Energy Surcharges for 2012*--USD/lb [*applicable at time of shipment]



MEDICAL ALLOYS												
ALLOY DESCRIPTION	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
BIODUR 108	\$0.70	\$0.68	\$0.68	\$0.68	\$0.69	\$0.69	\$0.66					
BIODUR 22CR-13NI-5MN STAINLESS	\$1.54	\$1.67	\$1.72	\$1.62	\$1.56	\$1.50	\$1.42					
BIODUR TYPE 316LS	\$1.65	\$1.79	\$1.88	\$1.75	\$1.68	\$1.61	\$1.53					
BIODUR CUSTOM 470 ALLOY	\$1.17	\$1.29	\$1.33	\$1.22	\$1.17	\$1.12	\$1.06					
BIODUR CARPENTER CCM ALLOY	\$7.24	\$8.01	\$8.51	\$7.23	\$7.76	\$7.98	\$6.92					
BIODUR TRIMRITE STAINLESS	\$0.42	\$0.44	\$0.44	\$0.44	\$0.44	\$0.44	\$0.41					
BIODUR CARPENTER CCM ALLOY	\$7.24	\$8.01	\$8.51	\$7.23	\$7.76	\$7.98	\$6.92					
MICRO-MELT BIODUR CCM PLUS	\$7.00	\$7.74	\$8.21	\$6.99	\$7.50	\$7.71	\$6.70					
MICRO-MELT BIODUR CCM-LS ALLOY	\$7.24	\$8.01	\$8.51	\$7.23	\$7.76	\$7.98	\$6.92					
CORROSION-RESISTANT ALLOYS												
ALLOY DESCRIPTION	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
CARPENTER ALLOY C-276 HI TEMP ALLOY	\$7.06	\$7.66	\$8.03	\$7.47	\$7.18	\$6.85	\$6.61					
MP95N	\$7.17	\$7.93	\$8.33	\$7.34	\$7.46	\$7.33	\$6.69					
NICKEL COPPER ALLOY 400	\$5.80	\$6.51	\$6.82	\$6.17	\$5.82	\$5.44	\$5.18					
NICKEL COPPER ALLOY 405	\$5.80	\$6.51	\$6.82	\$6.17	\$5.82	\$5.44	\$5.18					
CUSTOM AGE 625 PLUS	\$6.18	\$6.79	\$7.09	\$6.46	\$6.15	\$5.83	\$5.61					
CARPENTER ALLOY 925	\$4.52	\$4.94	\$5.12	\$4.69	\$4.50	\$4.27	\$4.12					
ALLOY STEELS												
ALLOY DESCRIPTION	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC

Industeel

Industeel - Official Duplex Alloy Surcharge at Time of Delivery



Month Of Delivery in EURO / To

Industeel	EN	A&ME	Janv-12	fevr-12	mars-12	avr-12	mai-12	juin-12	juil-12	août-12	sept-12	oct-12	nov-12	déc-12
UR2202	1.4062	S32202	727 €/To	778 €/To	819 €/To	799 €/To	791 €/To	834 €/To						
UR2304	1.4362	S32304	882 €/To	953 €/To	1 013 €/To	973 €/To	954 €/To	991 €/To						
UR2205	1.4462	S31803	1 484 €/To	1 606 €/To	1 676 €/To	1 628 €/To	1 589 €/To	1 652 €/To						
UR2205Mo	1.4462	S32205	1 656 €/To	1 785 €/To	1 873 €/To	1 818 €/To	1 771 €/To	1 838 €/To						
UR2507	1.4410	S32750	1 880 €/To	2 041 €/To	2 135 €/To	2 066 €/To	2 009 €/To	2 080 €/To						
UR2507Cu	1.4507	S32550	1 880 €/To	2 041 €/To	2 135 €/To	2 066 €/To	2 009 €/To	2 080 €/To						
UR2507W	1.4501	S32760	2 064 €/To	2 230 €/To	2 316 €/To	2 245 €/To	2 203 €/To	2 278 €/To						

Latrobe



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Our Pricing Policy

Terms & Conditions

CONDITIONS OF ACKNOWLEDGMENT AND ACCEPTANCE OF PURCHASE ORDERS

(2) Prices and terms of payments specified herein for the materials or services covered hereby will be adjusted to Seller's prices and terms of payment in effect at the time of shipment. Each shipment for the purpose of pricing, invoicing, and billing shall be treated as a separate and independent contract. http://www.latrobebesteel.com/customer_pricing.cfm

Surcharge Policy

Surcharges are calculated for each Latrobe Specialty Metals alloy based upon a complicated formula utilizing the chemical composition of the alloy, the effective non-coverable yield from melt, and the delta between the 1999 base values and the current market values. Surcharges are applicable at time of

shipment unless otherwise stated at order entry. http://www.latrobebesteel.com/customer_surcharge.cfm

Latrobe, Pennsylvania, or as required by Buyer. The terms and conditions of the contract shall be in full force and effect and shall govern all terms and conditions of purchase and shipment resulting from the purchase hereinafter in these

Outokumpu

« Alloy Surcharge will be added in accordance with Outokumpu’s surcharge ruling at the date of dispatch for each lot of goods unless otherwise expressly agreed. »

9. Payments, VAT and overdue interests

Agreed prices are exclusive of Alloy Surcharges, Value Added Tax (VAT) and any other taxes or duties unless otherwise expressly agreed. Alloy Surcharge will be added in accordance with Outokumpu’s surcharge ruling (set out at www.outokumpu.com) at the date of dispatch for each lot of goods unless otherwise expressly agreed.

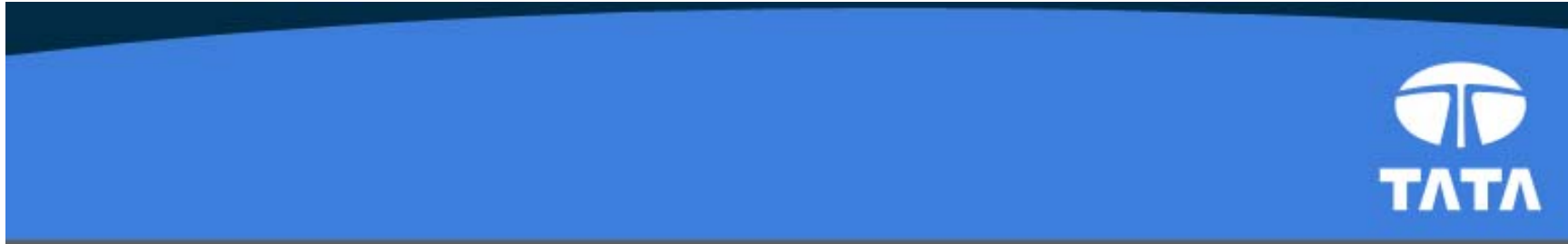


Alloy Adjustment Factor Currency/Ton
Billet AAF (+10%)

Including IRON and Titanium	Year	2012	Month	Jul	Final					
Currency	EUR	GBP	SEK	USD	NOK	DKK	YEN	CZK	PLN	HUF
Austenite Grades										
4301(304)	1547	1246	13846	1941	11685	11498	153648	39474	6703	460676
4303	1892	1523	16930	2374	14287	14058	187865	48265	8196	563269
4305	1547	1246	13846	1941	11685	11498	153648	39474	6703	460676
4306(304L)	1660	1337	14860	2083	12541	12340	164898	42364	7194	494408
4307	1547	1246	13846	1941	11685	11498	153648	39474	6703	460676
SS2352	1556	1253	13928	1953	11754	11566	154555	39707	6743	463397
4310(301)	1416	1141	12676	1777	10698	10526	140666	36139	6137	421753
4310(301) MO	1565	1260	14007	1964	11821	11632	155437	39934	6781	466041
4310(302)	1485	1196	13287	1863	11213	11034	147444	37880	6433	442076
4311	1608	1295	14394	2018	12147	11953	159727	41036	6968	478903
4318	1305	1051	11679	1637	9856	9698	129600	33296	5654	388576
4372(201)	1206	971	10791	1513	9107	8961	119750	30765	5224	359044
4372(201XB)	1206	971	10791	1513	9107	8961	119750	30765	5224	359044



Tata Steel



Online Services

Tata Steel Speciality and Bar online services.

Alloy surcharge

Alloy Surcharges will be applied to the invoiced delivered price of the products listed below. The surcharges will be calculated according to the mean of the specified range of each element. For Aircraft Steels a 10% Supplement will apply on Secondary Bar Material (ie sizes below 70mm Dia). Silicon & Manganese Surcharges will be applied on ALL Steel types. Special carbon, alloy & spring steel semi-finished products, Alloy & spring steel black bars, flats & rods, Aircraft steel black bars.

Scrap Surcharge

The Scrap Surcharge is applied to the products listed below. On Aircraft Steels a 10% Supplement will apply to Bright Secondary Bar Material (ie sizes below 70mm Dia). Special carbon, Alloy & Spring Steel semi-finished products. Non alloy special steel black bars & flats Alloy & spring steel black bars, flats & rods. Free cutting re-rolling billets.