

March 3, 2008

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Effective with shipments in the month of March, 2008 (3/1/08 – 3/31/08), the raw material surcharge will be adjusted to \$237 per ton (\$11.85/cwt) where applicable. As has been the case, the surcharge will apply to all shipments scheduled within this monthly time frame.

Please note that Claymont Steel will use the calendar month for financial purposes rather than a 13 week quarter as previously calculated.

The rapid rise in scrap cost while slowing to some extent continues to be a serious concern for future price increases. Claymont Steel will continue to monitor scrap prices and take into consideration the additional cost when determining price increases and/or surcharges in future months.

Thank you for your continued support of Claymont Steel.

Sincerely,

A handwritten signature in black ink, appearing to read 'Stephen H. Lundmark', written in a cursive style.

Stephen H. Lundmark
Vice President, Sales and Marketing