

Hitzkirch, November 2017/MS-mf

## Price Adjustment – Increase in Raw Material Costs

Dear Sir/Madam,

During the past months, the world market price of primary material for the manufacture of carbide powder (APT and cobalt) has increased significantly further. We have no influence on the price index for APT and cobalt and as a manufacturer of premium carbides, unfortunately we are no longer able to shoulder and absorb the additional costs, or to cushion them by means of internal processes. Regrettably, the consistently high raw material prices are forcing us to adjust our own prices. Depending on the composition of the carbide grades and product groups, the scope of the price adjustment is a minimum of 12%.

The adjustment will come into effect for all new orders with an order date **from December 1st, 2017**. Due to the huge increase in raw material prices, which has been consistent for a long period, we reserve the right to accept orders prior to December 1<sup>st</sup>, 2017 with a delivery date until January 31<sup>st</sup>, 2018 at the currently effective prices. All current price agreements and price lists will become invalid on this cut-off date.

Our sales staff will be happy to provide you with further information. We would like to assure you that we will continue to supply you with the usual "Swiss Made" premium carbide quality, while maintaining the usual supply guarantee. We will continue to be at your disposal with advice, services and technical customer support.

We would like to take this opportunity to thank you for the pleasant, cooperative partnership and look forward to your continued requests and orders.

We assure you that we will handle them efficiently.

Kind regards,

HARTMETALL ESTECH AG



Manfred H. Sackermann  
CEO

Daniel Haab  
Head of Sales