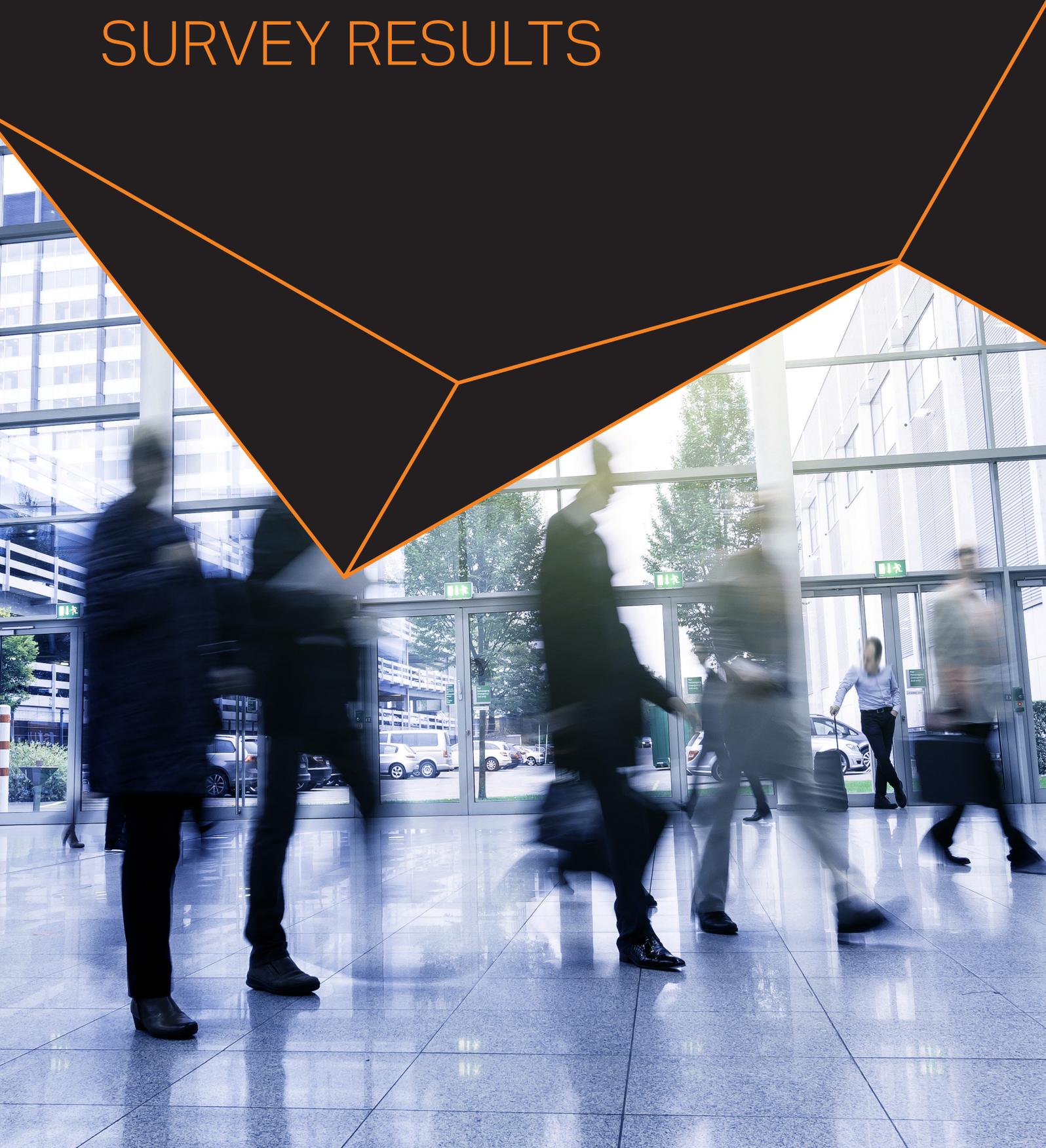




STAINLESS STEEL WORLD SURVEY RESULTS



NEW TECHNOLOGY IS TOP OF THE AGENDA

The survey we undertook at last November's Stainless Steel World 2017 exhibition has revealed how our customers view the importance of adopting new technologies, while at the same time seeing the need to keep costs down when purchasing their stainless steel.

More than 100 visitors to our stand at the exhibition took part in the survey and answered questions on a range of topics and issues relating to the current stainless steel market.

When asked about the top three 'drivers' used by those determining the purchase of stainless steel products, the adoption of new technologies was considered to be most important at 65%. Cost cutting came in a close second at 62%, showing that while there is the desire to have the latest and best technologies available, price continues to be very important to customers.

We undertook this survey as we were keen to find out what key factors are affecting our customers today and what is most likely to influence their purchasing decisions. While keeping costs down is deemed to be highly important - and this didn't come as a surprise, as market conditions continue to be challenging all around the globe - it is good to see that the adoption of new technology is considered to be very important and that innovation remains at the top of the purchasing agenda.

"When asked about the top three 'drivers' used by those determining the purchase of stainless steel products, the adoption of new technologies was considered to be most important at 65%."

Safety and security came in third with more than half of those polled (58%) seeing this as a key priority for their businesses. Although budgets are still extremely tight, investment in infrastructure was rated as important at 46% and in conjunction with the score for adoption of new technology, purchasers have indicated that improving techniques and processes is critical to business improvement and growth.

When asked about the two most important factors when choosing a stainless steel manufacturer, a high majority of respondents (86%) said that quality and product consistency ahead of cost were key. Having a locally based technical support team was also cited by 53% as being very important when selecting their supplier.

Inevitably cost and keeping a firm grip on the budget is important to those responsible for purchasing stainless steel, but their desire for quality products that will deliver the best solution and the right level of support is clearly demonstrated in these results.

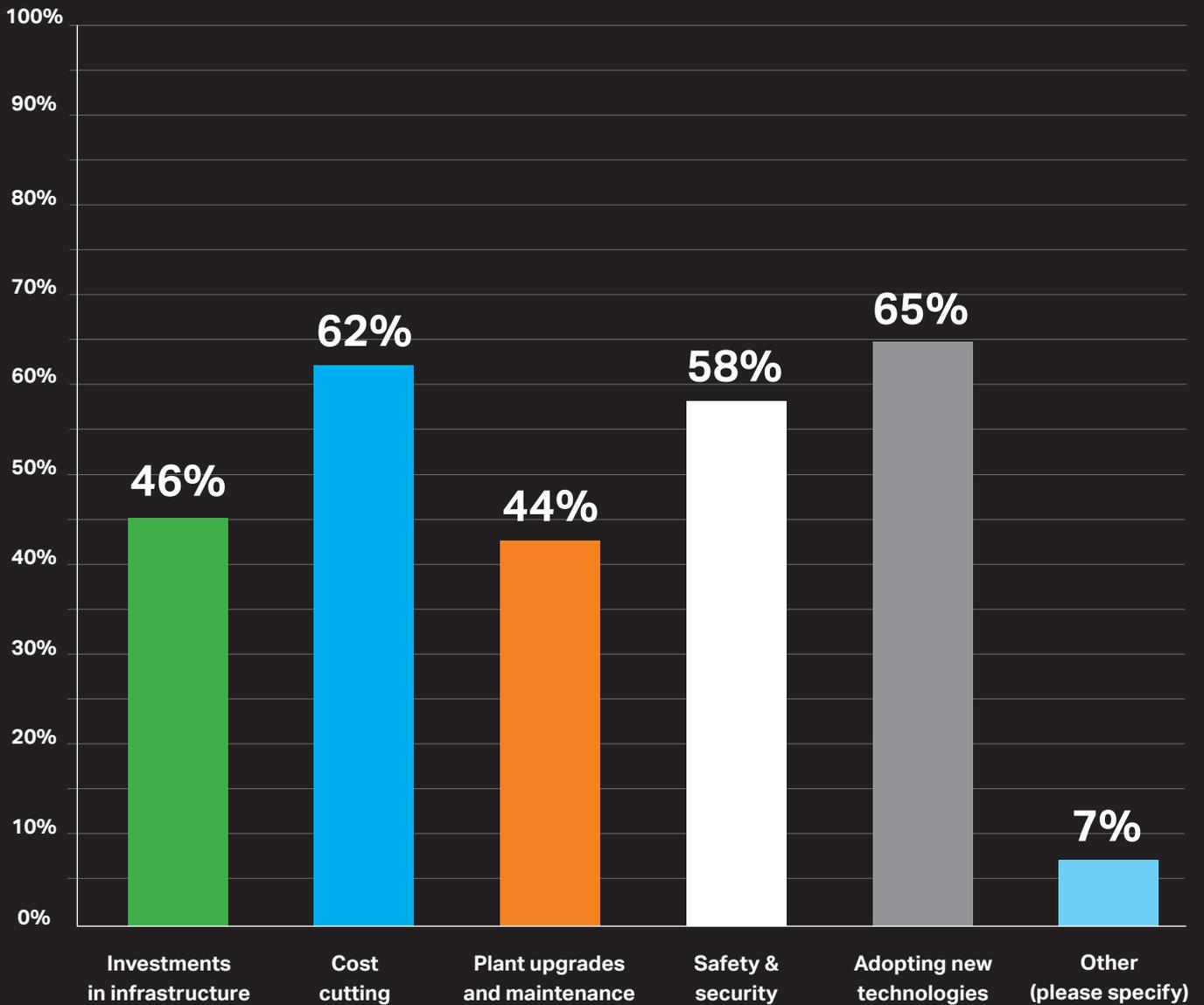
As we get 2018 off to a start, we will continue to work with our customers on developing new and innovative products and solutions to meet their many requirements as outlined in our survey.

The full results of the survey along with an analysis of the outcome can be found [here](#).

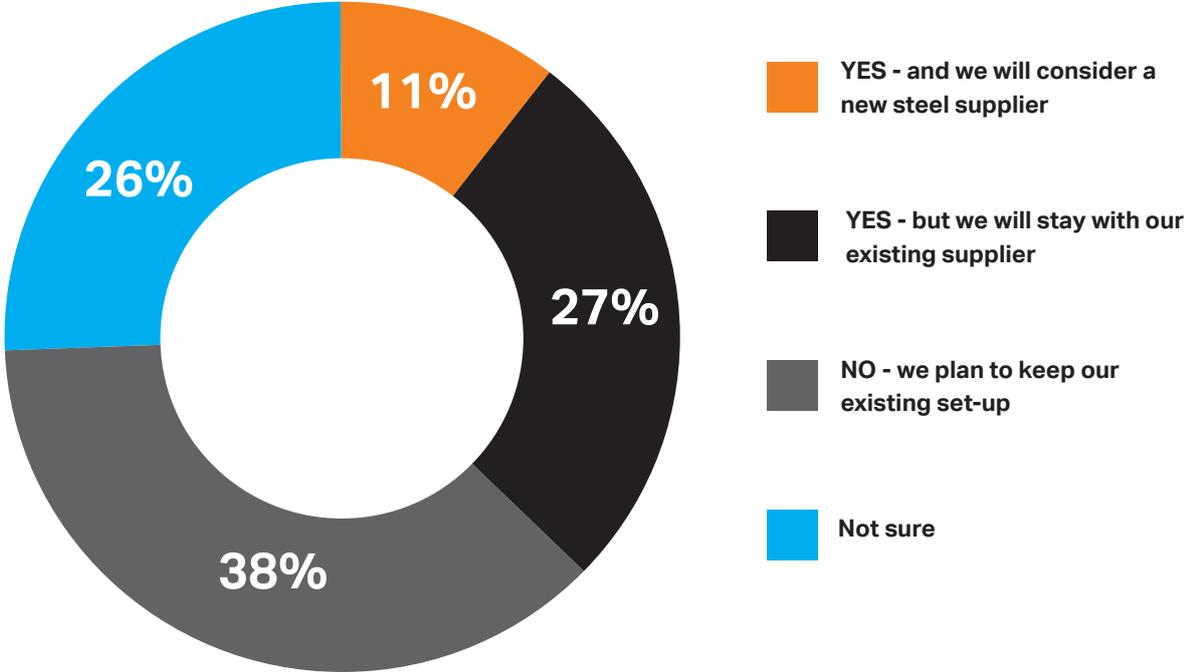
WHICH COMPANY DO YOU WORK FOR?

IHC BRONSWERK HEAT TRANSFER
FLUOR RECYMET TECNYMAT
KELVION HERTECANT
TOTAL SHELL ARCELOR STEEL
VALBRUNA SOTEP GRUNDFOS
SONACA MITTAL

OUT OF THE FOLLOWING FACTORS, WHICH DO YOU THINK ARE THE TOP THREE DRIVERS IN TODAY'S INDUSTRY?



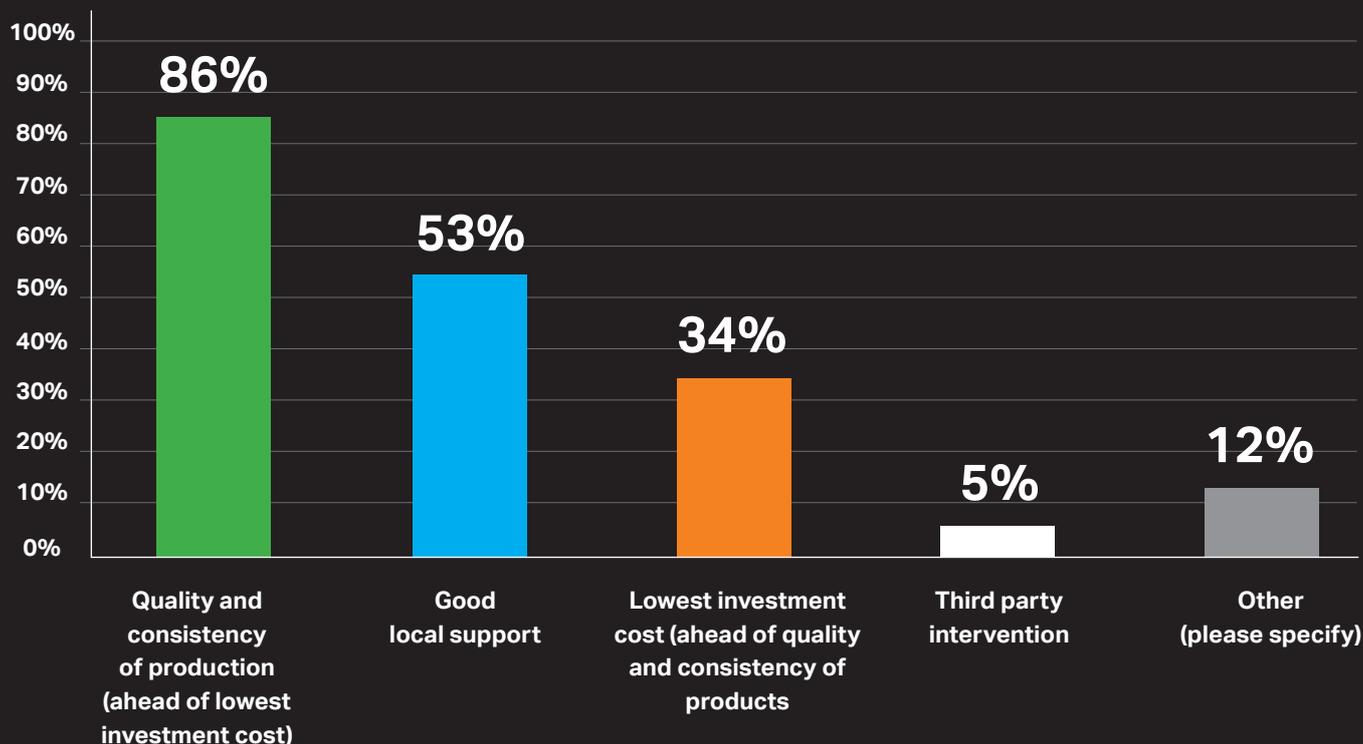
ARE YOU LIKELY TO CARRY OUT MAINTENANCE, OR A REFURBISHMENT, IN YOUR EXISTING FACILITIES WITHIN THE NEXT 18 MONTHS?



IN WHICH ORDER WOULD YOU CONSIDER THE FOLLOWING MATERIALS FOR YOUR PLANT, '1ST' BEING THE MOST LIKELY AND 4TH THE LEAST LIKELY ?

| | 1ST | 2ND | 3RD | 4TH | NO OPINION | WEIGHTED AVERAGE |
|---|-----|-----|-----|-----|------------|------------------|
| Hyper duplex stainless steel (eg. Sandvik SAF 2707 HD™) | 5% | 8% | 11% | 26% | 47% | 3.16% |
| Nickel based alloys (eg. 600, 800) | 17% | 14% | 28% | 12% | 29% | 2.49% |
| Austenitic stainless steel (eg. 304/304L, 316/316L) | 42% | 15% | 8% | 15% | 22% | 1.95% |
| Duplex stainless steel (eg. Sandvik SAF 2507™) | 18% | 38% | 15% | 7% | 21% | 2.14% |

IF CHOOSING A NEW STEEL SUPPLIER, WHICH ARE THE TWO MOST IMPORTANT FACTORS THAT YOU WOULD CONSIDER?



BASED ON YOUR OWN DEALINGS WITH SANDVIK, CAN YOU PLEASE RATE US FOR EACH OF THE FOLLOWING STATEMENTS?
"SANDVIK IS..."

| | POOR | AVERAGE | GOOD | EXCELLENT | NO OPINION | WEIGHTED AVERAGE |
|---|------|---------|------|-----------|------------|------------------|
| ... Innovative | - | 3% | 39% | 48% | 12% | 3.5% |
| ... A complete supplier of stainless steel tube | 2% | 9% | 41% | 28% | 21% | 3.19% |
| ... Easy to deal with | 2% | 8% | 27% | 43% | 22% | 3.39% |
| ... A reliable partner for special steels | - | 4% | 32% | 44% | 21% | 3.5% |
| ... A reliable partner for standard steels | 3% | 28% | 31% | 27% | 21% | 3.18% |

WHY IS SANDVIK IMPORTANT TO YOU?

COST CONTACT COMPANY
STOCK GRADES PRICE LEAD
QUALITY PRODUCTS
NOT COMPETITIVE DELIVERY
SUPPORT SANDVIK
SUPPLIERS OPINION LEAD
SPECIFICATIONS
GOOD SERVICE OPINION

"Inevitably cost and keeping a firm grip on the budget is important to those responsible for purchasing stainless steel, but their desire for quality products that will deliver the best solution and the right level of support is clearly demonstrated in these results."