Certain statements made in this presentation are forward-looking statements that involve uncertainties. These forward-looking statements reflect The David J. Joseph Company's best judgment based on current information, and although we base these statements on circumstances that we believe to be reasonable when made, there can be no assurance that future events will not affect the accuracy of such forward-looking information. As such, the forward-looking statements are not guarantees of future trends, and actual trends may vary materially from the projections discussed in this presentation. Factors that might cause actual trends to differ materially from those anticipated in forward-looking statements include, but are not limited to: (1) prevailing steel prices and changes in the supply and cost of raw materials, including pig iron and scrap steel; (2) availability and cost of electricity and natural gas; (3) market demand for steel products; (4) competitive pressure on sales and pricing; (5) uncertainties surrounding the global economy, including the severe economic downturn in construction markets and excess world capacity for steel production; (6) fluctuations in currency conversion rates; (7) significant changes in laws or government regulations affecting environmental compliance; and, (8) the cyclical nature of the steel industry.

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Agenda

► Steel production vs scrap consumption
► Trade restrictions - subsidies
► Global scrap trade
► Selected countries – examples
► China impact
► Impact on developed markets
► Conclusions
Global Steel Production and Scrap Consumption

Source: World Steel and CRU
Estimated Global Scrap Consumption 2000

2000 Global Estimated Scrap Consumption
367 M MT

- Europe Union (25): 23% (85.5 MT)
- Asia: 33% (119.4 MT)
- North America: 20% (74.6 MT)
- South America: 3% (12.5 MT)
- Other Europe: 8% (28.5 MT)
- Africa: 0% (1.7 MT)
- Oceanica: 1% (2.4 MT)
- C.I.S.: 12% (42.5 MT)

Source: worldsteel
2017 Global Estimated Scrap Consumption
589 M MT

Estimated Global Scrap Consumption 2017

Source: worldsteel
## Trade restrictions on ferrous scrap

<table>
<thead>
<tr>
<th>Country</th>
<th>Export Taxes</th>
<th>Quantitative Restrictions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Country</strong></td>
<td><strong>Tariff</strong></td>
<td><strong>Restriction</strong></td>
</tr>
<tr>
<td>China</td>
<td>40%</td>
<td>Angola Export Ban</td>
</tr>
<tr>
<td>Egypt</td>
<td>650 EGP/tonne</td>
<td>Argentina Export Ban</td>
</tr>
<tr>
<td>Guinea</td>
<td>25,000 GNF/tonne</td>
<td>Azerbaijan Export Ban</td>
</tr>
<tr>
<td>India</td>
<td>15%</td>
<td>Burundi Export Ban</td>
</tr>
<tr>
<td>Jordan</td>
<td>50 JOD/tonne</td>
<td>Ghana Export Ban</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>15%, but not less than 30EUR/tonne</td>
<td>Kenya Export Ban</td>
</tr>
<tr>
<td>Malaysia</td>
<td>10%</td>
<td>Mauritius Export Ban</td>
</tr>
<tr>
<td>Morocco</td>
<td>3%</td>
<td>Nigeria Export Ban</td>
</tr>
<tr>
<td>Oman</td>
<td>50 OMR/tonne</td>
<td>Rwanda Export Ban</td>
</tr>
<tr>
<td>Russia</td>
<td>12.5% but not less than 12.5 EUR/tonne</td>
<td>Sri Lanka Export Ban</td>
</tr>
<tr>
<td>Ukraine</td>
<td>10 EUR/tonne</td>
<td>Tanzania Export Ban</td>
</tr>
<tr>
<td>Vietnam</td>
<td>17%</td>
<td>Uganda Export Ban</td>
</tr>
<tr>
<td>Zambia</td>
<td>25% or 80 kwacha/tonne whichever is greater</td>
<td>Uruguay Export Ban</td>
</tr>
</tbody>
</table>
2007-2017 Global Scrap Trade

Source: World Steel

Created by The David J Joseph Company
Turkey Scrap Imports by Origin

Source: UN Trade
South Korea Scrap Imports vs. Total Scrap Consumption

Scrap Consumption 000's MT
Total Scrap Generation 000's MT
Steel Production 000's MT

Net Import

Created by the David J Joseph Company

Source: worldsteel / CRU
South Korea Scrap Imports by Origin

Source: UN Trade
India Scrap Imports vs. Total Scrap Consumption

Scrap Consumption 000's MT  |  Total Scrap Generation 000's MT  |  Steel Production 000's MT

Net Import

Created by the David J Joseph Company
Source: worldsteel / CRU
Vietnam Scrap Imports vs. Total Scrap Consumption
Chinese Taipei Scrap Imports vs. Total Scrap Consumption

- **Scrap Consumption 000's MT**
- **Total Scrap Generation 000's MT**
- **Steel Production 000's MT**

**Net Import**

Source: undisclosed / CRU

Created by the David J Joseph Company
Chinese Taipei* Scrap Imports by Origin

* UN Trade Data Are Estimates
Thailand Scrap Imports vs. Total Scrap Consumption

- Scrap Consumption 000's MT
- Total Scrap Generation 000's MT
- Steel Production 000's MT

Net Import

Created by the David J Joseph Company

Source: worldsteel / CRU
Thailand Scrap Imports by Origin

Source: UN Trade
Indonesia Scrap Imports vs. Total Scrap Consumption

- Scrap Consumption (000's MT)
- Total Scrap Generation (000's MT)
- Steel Production (000's MT)

Net Import

Source: worldsteel / CRU
Indonesia Scrap Imports by Origin

Source: UN Trade
China Scrap Generation

China TOTAL Scrap Generation 2017 = 161 M MT
Estimated China TOTAL Scrap Generation by 2035* = 259 M MT

Created by the David J Joseph Company
Source: worldsteel / CRU
China Scrap Generation

908 Mt Peak Steel Production in 2035

Crude Steel Production 000's MT

Scrap Generation 000's MT

Model Source: DJJ Analytics
Data Source: worldsteel / CRU

Created by the David J Joseph Company
China Scrap Imports by Origin

Source: UN Trade
2007-2017 Top Global Exporters

Source: UN Trade