### **ACERO PRIME®**

© DESHAZO 3 2 METRIC TON We are part of the Reliance Family of Companies



## **RELIANCE** STEEL & ALUMINUM CO.



#### Acero Prime culture

Acero Prime is on the business of helping our customers to get what they need in an effective, efficient and effortless way; with social and environmental responsibility.

#### **MISSION & PURPOSE**

We incorporate reliable and value added supply solutions to make the work easier for those with whom we interact.

#### VALUES

- 1. Integrity
- 2. Service
- 3. Flexibility
- 4. Commitment





#### Strategic locations in USA and Mexico: Sinton, San Luis Potosi, Ramos Arizpe, Monterrey and Toluca



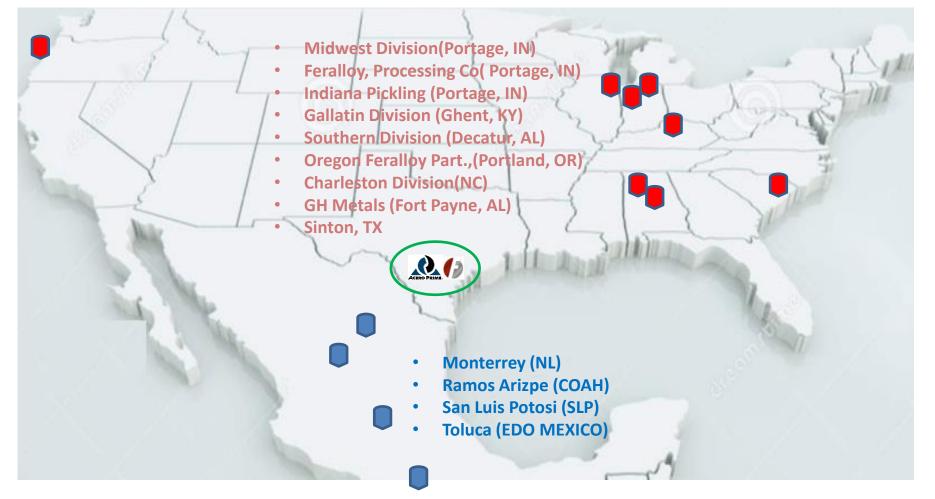
We can identify our customers' needs and offer them a **tailor-made solution** combining:

- Steel-processing
- Storage
- Complete supply-chain management services
- Customers maintain ownership until delivery to final customer

Acero Prime is 100% Toll Processing steel service center.



# Strategic location network and support in US and Mexico





#### Acero Prime business model



Our value-added services enable steel mills, service centers, distributors, stampers, and original-equipment manufacturers to find in **Acero Prime** a competitive advantage allowing them to serve their markets more effectively and efficiently in most demanding industries such as the automotive and appliance.



#### Acero Prime business model

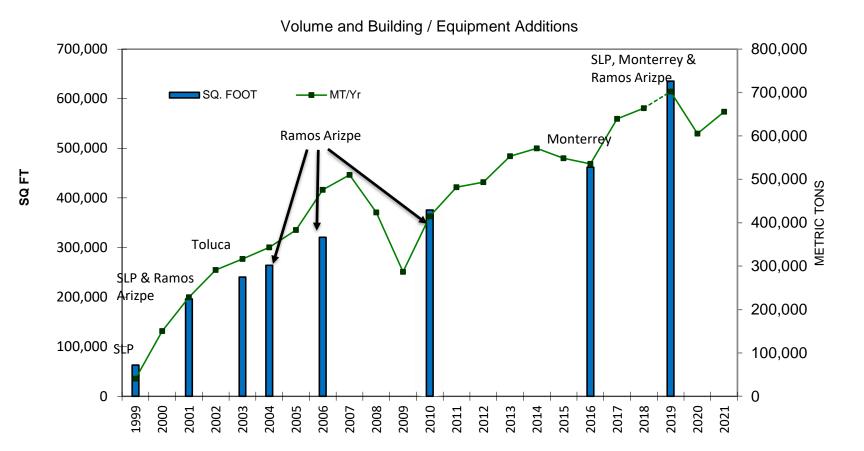




- We help our customers to get what they need in an effective, efficient and effortless way.
- Offering tailored made supply chain solutions to make the work easier for our customers.
- Strategic locations along the main industrial corridor in Mexico, equipped to serve the most demanding manufacturing industries (automotive, appliance and metal manufacturers companies).



# 20 years expanding with our customers





#### **Competitive advantages**

- One-stop shop for Importation Administration, Logistics, Steel Processing, Warehousing and JIT Deliveries; shipping more than 700,000 net tons per year for automotive industry (80%), appliance and general manufacturers.
- Storage, Slitting and Multi-Blanking process:
  - 72" wide, 0.015" to 0.334" thickness, 30MT weight coils, capacity to run HR, HRPO, CR, coated, unexposed and critical surface coils; electrical steel and stainless steel.
- Integrated information system with **EDI capabilities**; and an exclusive development of a bar code system for **real time tracking of steel** within the supply chain.
- Wide experience in **temporary importation** and preferential duty programs.
- Ample rail-spur capacity to optimize logistics cost of material sent to our facilities.
- Integrated services at main maritime ports and borders in Mexico
- In-site technical service support.
- Outside processing (blanking, laser, welding & pickling)
- Obsolete & secondary material disposition.
- Certified ISO 9001 | IATF 16949



#### Processing Capabilities (Mexico)

San Luis Potosi 160,600 sq ft.	Ramos Arizpe 333,700 sq ft.	Monterrey 93,100 sq ft.	Toluca 44,200 sq ft
<ul> <li>Slitter L1</li> <li>0.015 to 0.190", 72" wide and 30 MT max weight</li> <li>Slitter L2</li> <li>0.036 to 0.334", 62" wide and 30 MT max weight</li> </ul>	<ul> <li>Slitter L1         <ul> <li>0.015 to 0.250", 72" wide and 30 MT max weight</li> </ul> </li> <li>Slitter L2         <ul> <li>0.020 to 0.250", 74" wide and 30 MT max weight</li> </ul> </li> <li>Multi-blanking L2         <ul> <li>0.015 to 0.250", 72" wide, 4 blanks, and 30 MT max weight</li> </ul> </li> </ul>	Slitter L1 • 0.020 to 0.250", 72" wide and 30 MT max weight	Storage and Distribution center • 30 MT max weight
Storage up to 45,000MT	Storage Plant 1 up to 78,000MT Storage Plant 2 up to 32,400MT	Storage up to 27,000MT	Storage up to 15,000MT

Aluminum

Grades: CS | EDDS | DP | AHSS

Technology: EDI X12 | Y-Scan bar code readers | Real-time information.

Logistics: Rail-spur | Port Maneuvers | JIT deliveries.

Certification: ISO 9001:2015 / IATF 16949.



#### Processing Capabilities (Sinton)

	Receiving &	Steel Coils	Rail and Truck (un)Loading under roof 50,000 tons master coil storage			
. 315,000 Ft <sup>2</sup> under roof	Warehousing		106,000#/max weight, 96"/max OD Coil capacity			
	Processing Capabilities >>>		Slitting		Cut-to-Length	
			Light Gauge (Fagor)	Heavy Gauge (Butech)	Stretcher Level & CTL (Butech)	
	Coil Dimensions	Mat'l Types	PO, CR, GV, Painted, Embossed	CR, HR, PO	CR, HR, PO	
		Grades	DDS – UHSS	DDS – UHSS	CS – UHSS	
		Thickness	.010"150"	.047"315"	.075" – 1.000"	
		Width	36" - 78"(nom)	36" - 84"(nom)	84"(nom)	
		Outside Diameter	35" - 90.5"	45" - 94"	45" - 94"	
		Inside Diameter	20"-24"	20"-30"	20"-30"	
		Weight	106,000#/max	106,000#/max	106,000#/max	
	Product Dimensions	OD	35" - 90.5"	32" - 94"		
		ID	20" - 24"	20" - 24"		
		Weight	106,000#/max	106,000#/max		
		Width/ # of Cuts	24 cuts/max	24 cuts/max	36" - 84"	
:		Length			36" - 720" +	
7 ¼ Acres		Bundle Weight			50,000#/max	
		Bundle Height			36"/max	
			Eye Horizontal		Loose	
	Package Options		Eye Vertical		Banded	
			Palletized		Palletized	
			Racked		VCI-wrapped	
			VCI-wrappe			
	Finished	0				
	Product	<ul> <li>22,000 tons of slit coil storage with O/H crane and Forklift loading</li> </ul>				
	Warehousing	10,000 tons of sheet/plate storage with O/H crane & Forklift loading				
	And Loading	Truck or Railcar loading under roof				



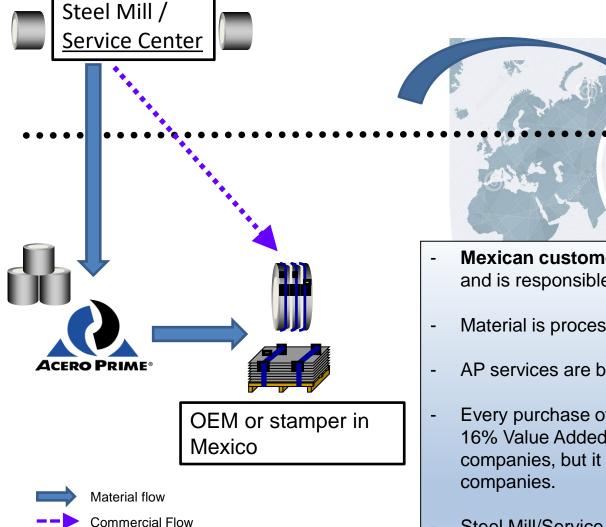
#### Some of our customers



## Importation alternatives in Mexico

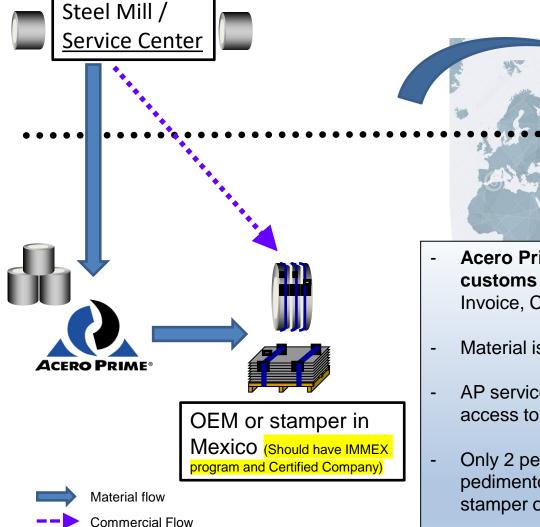


#### **Definitive Imports**



- Mexican customer assigns its own customs broker and is responsible for the importation.
- Material is processed and stored at AP.
- AP services are billed at 16% VAT.
- Every purchase of goods or services in Mexico generates 16% Value Added Tax; this tax is a cash flow for Mexican companies, but it may represent a cost for foreign
- Steel Mill/Service Center keeps material ownership.

#### **Temporary Imports**



- Acero Prime is the importer of record and assigns its customs broker. Necessary Documents: Proforma Invoice, Certificate of Origin, Mill Test Report.
- Material is processed and stored at AP.
- AP services are billed at 0% VAT and customer may also access to preferential duties.
- Only 2 pedimentos has to be done per month: V1-Export pedimento by Acero Prime; V1-Import pedimento by the stamper or OEM.
- Steel Mill/Service Center keeps material ownership.

#### Some advantages of Temporary Importation

- Certified companies do not pay duties and taxes upon importation.
- Services provided within Mexico by an IMMEX company may not be subject to VAT 16%.

Agile customs clearance versus the Automatic Notice permit required.

 Up to 18 months to keep inventory under temporary importation IMMEX without paying for importation taxes.





## **Logistics Experience**



## Simplifying your Supply Chain



#### Services provided at the Ports

- Unloading, warehousing and transportation in Tampico, Altamira, Manzanillo and Lazaro Cardenas
- Deconsolidation of containers
- Segregation of coils in the warehouse
- Inspections reports from our surveyor at port
- Inventories and shipments control through bar code system
- Full tracking throughout the Supply Chain (ocean and land freights tracking)
- Just in time deliveries from the port to our facilities or any other destination
- Currently handling 20,000+ MT monthly from Asia, Europe and South America









We are willing to help our customers to get what they need in the most economical way.

Thank you.

