



13 June 2013

Dear Customer

Re: Australian Price Increase

It has been 3 years since Saint-Gobain implemented its last CPI review. In March 2010 Saint-Gobain effected a price reduction ranging from 2.5% to 6.0%. Prior to this decrease our last increase was effective in December 2008 when pricing increased by 6%. Since this time our business has experienced significant cost increases in raw materials, energy, fuel and factory labour.

Whilst we have been able to offset some cost increases through productivity initiatives we will be increasing our prices across 3 of our product ranges from **15th July 2013**.

To coincide with this change Saint-Gobain will be lifting the minimum order quantity (MOQ) to \$300.00. This change will improve our order handling efficiently through our Distribution Centre in Somerton, resulting in improved service delivery to our customers.

Please find attached the necessary paperwork detailing this increase. If you have any questions please do not hesitate to contact your Saint-Gobain representative or our Customer service department on 03 9930 7850.

Saint-Gobain values our business partnerships and remains committed to providing you with innovative products of the highest quality at the most competitive price possible.

Yours faithfully,
Saint-Gobain Abrasives PTY Ltd

Steven Chaur
Managing Director – Pacific Region





Supplier: Saint-Gobain Australia PTY Ltd

Price Increase: Effective Date: 15th July 2013

Product Brands:

- Flexovit
- Norton
- Clipper
- Carborundum

Product range: Increases will apply to the following ranges of Thin Wheels, Diamond and Bonded products.

- Flexovit Thin Wheels 4.0% increase
- Flexovit Diamond 3.0% increase
- Carborundum Diamond 3.0% increase
- Norton Bonded Abrasives 5.0% increase
- Norton Clipper 3.0% increase (excluding Silencio & Rescue Runner Blades)
- Norton Diamond 3.0% increase

Minimum order quantity (MOQ) to \$300.00

Products ordered are quoted on the basis of delivery to the Customers address. For Orders less than \$300.00 excluding GST a surcharge of \$10 excluding GST will apply and the Company may charge in addition to the price of the Products the recovery rate for freight and handling at rates dependent on distance and volume of Products supplied. The rates are subject to change at any time without notice.

Saint-Gobain Abrasives Pty Ltd

Head Office: 15 Edgars Road, Thomastown, Victoria, Australia, 3074 Phone: +61 3 9358 6100 Fax: +61 3 9358 6180
ACN 068 931 420 ABN 59 068 931 420