

BAYOU STEEL CORPORATION
P.O. Box 5000; 138 Highway 3217
LaPlace, Louisiana 70069
Phone: 800-535-7692 Fax: 985-652-8450

Friday, December 14, 2007

To You, Our Valued Customers:

Effective with shipments January 1, 2008, Bayou Steel Corporation will increase its published base prices on all merchant and structural products by \$25.00/ton (1.25/cwt). Additionally, all weights of standard 8" channel will be increased by an additional \$12.00/ton (.60/cwt). A revised price sheet will follow under separate cover.

Bayou Steel Corporation will continue to address all legitimate competitive situations on a delivered price basis to ensure that all of our customers have competitive pricing from all of our locations. If you have any questions concerning these changes, please contact your Bayou Steel representative at 1-800-535-7692.

Thank you for your continued support as a loyal customer.

Very truly yours,

BAYOU STEEL CORPORATION

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JEH/mbb