



**To:** All Valued Steel King Customers

**From:** Jay Anderson, President

**Date:** December 15, 2008

**Re: December Steel Pricing Announcement**

Structural steel pricing has remained steady since our November 17, 2008 Pricing Announcement. The Raw Material Surcharge (RMS) has increased \$70 per ton. However, the Base price decreased by \$70 per ton. The net effect is that transaction pricing will remain unchanged. Therefore, Steel King's surcharge on Structural products will remain unchanged.

However, Coil, Sheet Metal and Tube pricing has continued to soften substantially. **In fact, the surcharge on SK2000 pallet rack and step beams has been completely eliminated. Prices haven't been this low on SK2000 products since 2004.**

The result of this is that Steel King is reducing its surcharge on these products.

The multi-tier steel cost surcharge pass-through will be:

**For orders shipping December 15 – January 18, 2009:**

- |  |                     |
|--|---------------------|
| a. SK3000 structural pallet rack, excluding step beams;<br>I-Beam cantilever and Guard Dawg: | \$0.2250/# net cost |
| b. SK2000 roll-formed pallet rack & step beams   | \$0.1230/# net cost |
| c. SK3400 pallet flow rails & brakes (only)  | n/a                 |
| d. All Sheet Metal or Tube based Products  | \$0.1812/# net cost |

**For orders shipping January 19 – February 15, 2009:**

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|--|--|
| e. SK3000 structural pallet rack, excluding step beams;<br>I-Beam cantilever and Guard Dawg: | \$0.2250/# net cost (unchanged)        |
| f. SK2000 roll-formed pallet rack & step beams   | <b>\$0.0/# net cost (decreased)</b>    |
| g. SK3400 pallet flow rails & brakes (only)  | n/a                                    |
| h. All Sheet Metal or Tube based Products  | <b>\$0.1112/# net cost (decreased)</b> |

We continue to post the latest news and actual surcharge announcements from our suppliers on our website at <http://www.steelking.com/steel/index.cfm>. Please review this page for the latest announcements from our steel vendors.