



To: All Valued Steel King Customers

From: Jay Anderson, President

Date: June 22, 2004

Re: July Steel Surcharge Notification

The July Steel surcharges and price changes have been announced. There is some positive news to report.

On June 18, Nucor Steel dropped their base price on all structural products by \$10/ton. However, they also raised their surcharges on structural products, allowing them to maintain current pricing levels.

Surcharges on other steel products also decreased. Steel King will therefore continue its two-tier surcharge pricing structure.

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

For orders shipping June 21- July 18:

- | | |
|---|---------------------|
| a. SK3000 structural pallet rack, excluding step beams: | \$0.0115/# net cost |
| b. All other products | \$0.0525/# net cost |

For orders shipping July 19 – August 15:

- | | |
|---|---------------------|
| c. SK3000 structural pallet rack, excluding step beams: | \$0.0165/# net cost |
| d. All other products | \$0.035/# net cost |

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

We appreciate your continued support and understanding during this situation.