



To: All Valued Steel King Customers

From: Jay Anderson, President

Date: October 15, 2008

Re: October Steel Surcharge Announcement

The most recent structural steel costs and surcharges have been announced. The Raw Material Surcharge (RMS) has DECREASED by another \$130 per ton. However, the Base price increased by \$50 per ton. The net effect is that transaction pricing will decrease by \$80 per ton or \$0.04 per pound. Therefore, Steel King's **structural product surcharges will decrease by \$0.04.**

As previously announced on October 9, 2008, Tube, Sheet and Coil prices have also dropped significantly.

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

For orders shipping October 20 – November 16, 2008:

- | | |
|--|---------------------|
| a. SK3000 structural pallet rack, excluding step beams;
I-Beam cantilever and Guard Dawg: | \$0.3065/# net cost |
| b. SK2000 roll-formed pallet rack & step beams | \$0.2342/# net cost |
| c. SK3400 pallet flow rails & brakes (only) | n/a |
| d. All Sheet Metal or Tube based Products | \$0.3634/# net cost |

For orders shipping November 17 – December 14, 2008:

- | | |
|--|---------------------------------|
| a. SK3000 structural pallet rack, excluding step beams;
I-Beam cantilever and Guard Dawg: | \$0.2665/# net cost (decreased) |
| b. SK2000 roll-formed pallet rack & step beams | \$0.2342/# net cost |
| c. SK3400 pallet flow rails & brakes (only) | n/a |
| d. All Sheet Metal or Tube based Products | \$0.3634/# net cost |

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.