



August 11, 2004

To Our Valued Customers,

Effective with shipments Wednesday, September 1, 2004, SMI Steel – Alabama and South Carolina will increase the price on all Merchant Bar and Structural products including, rounds, angles, channels, flats, and squares by \$1.00/cwt (\$20.00/ton).

A new price list reflecting these changes will be sent in the near future.

We will continue to monitor raw material costs, production costs, market conditions and competitive situations and will respond accordingly.

Should you have any questions regarding this announcement please call your SMI Steel - South Carolina Sales Representative at 1-800-637-3227 or your SMI Steel – Alabama Sales Representative at 1-800-621-0262.

We appreciate your business, and look forward to your continued support.

Very truly yours,

Ken Ledbetter
Manager of Sales

Matt Brace
Manager of Sales

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