



To: All Valued Steel King Customers

From: Jay Anderson, President

Date: April 4, 2011

Re: March 2011 Steel Pricing Announcement

Good News... Steel King Industries recently announced a new policy to lock the steel surcharge rates on the majority of new orders. Please see our recent email (2/14/11) for details on this new policy, which is designed to you give you cost security.

For orders placed prior to the new program introduction, or which do not qualify for the new “lock” policy, the following terms apply.

The most recent structural steel pricing and surcharges have been announced. The Nucor Raw Material Surcharge (RMS) did not change and neither did the base price. The net effect is that the transaction pricing is unchanged. Therefore, Steel King’s surcharge on Structural products will also be left at the existing level.

The price of coil steel used in SK2000 roll-formed products also took a break from the recent string of price increases and remained unchanged. Steel King’s surcharge on SK2000 and step beams will also remain the same.

Tubular steel has risen most dramatically of all. Steel King will also need to increase the surcharge on all Sheet and Tube based products.

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

For orders shipping March 21 – April 17, 2011:

- | | |
|--|---------------------|
| a. SK3000 structural pallet rack, excluding step beams; I-Beam cantilever and Guard Dawg: | \$0.2525/# net cost |
| b. SK2000 roll-formed pallet rack & step beams | \$0.2900/# net cost |
| c. SK3400 pallet flow rails & brakes (only) | n/a |
| d. All Sheet Metal or Tube based Products | \$0.2675/# net cost |

For orders shipping April 18 – May 15, 2011:

- | | |
|--|--|
| a. SK3000 structural pallet rack, excluding step beams; I-Beam cantilever and Guard Dawg: | \$0.2525/# net cost |
| b. SK2000 roll-formed pallet rack & step beams | \$0.2900/# net cost |
| c. SK3400 pallet flow rails & brakes (only) | n/a |
| d. All Sheet Metal or Tube based Products | \$0.2975/# net cost (Increased) |

We at Steel King recognize the challenges imposed upon all of us in steel products industries caused by these steel-producer imposed price changes. The pricing changes listed above are a complete pass-through without markup and can be verified from many independent sources.

In addition, we continue to post the latest news and actual surcharge announcements from our suppliers on our website at <http://www.steelking.com/pricing-documentation.html> . Please review this page for the latest announcements from our steel vendors.