

3rd June 2021

Steel Market Update & Price Movement Notification

Dear valued Customer,

The pressure on the steel supply chain continues, with the various factors outlined in previous correspondence giving rise to further price increases and availability issues. When coupled with ongoing shipping cost increases and capacity issues, we're faced with unprecedented market conditions. Unfortunately, we do not expect an improvement to these conditions in the immediate future.

Material Availability and Project Quoting

The market conditions create material risk in pricing future projects and material availability. When quoting projects, please consider:

- For ex-stock offers, we can no longer offer validity dates on quotes beyond one month, but we will endeavour to provide accurate indications of longer-term pricing.
- For ex-stock offers please note the validity date on our offer and notes on material availability. We suggest customers tag quotes subject to material availability and include a validity date on all offers.
- Due to capacity constraints, we may not be able to hold orders in store for extended periods. We encourage customers to plan for immediate delivery of ex-stock orders.
- For indent offers please note the validity date. Once the offer expires the price may increase.
- Shipping of indent orders is under pressure, especially for containerised product. We are unable to guarantee a delivery date on these orders and we encourage customers to take the same precaution.
- Communication is critical in effectively managing availability challenges; if you have a significant requirement for a specific product, please talk to us as soon as possible so we can ensure we have the required quantities available.

10th July Price Increase

In line with recent movements in cost, we will be implementing a price increase effective 10th July across all products. The increases vary in magnitude between product groups as well as within each group. Please talk to your local branch about the level of increase for items you purchase.

We remain committed to maintaining on-the-ground sales support across the country. To that end, we have added extra resource in several regions to make it easier to communicate with your account manager or local branch on 0800 EASYTEEL.

We appreciate your continued support as we strive to maintain service levels and restore availability.

Yours faithfully,



Nicholas Wheadon
Head of Sales - Fletcher Steel