



March 4, 2021

To: Our Valued Customers

Subject: Price Increase – Bailey Metal Products Limited May 2021

The steel industry continues to experience a high demand globally that is outstripping mill capacity in both domestic and import markets. This shortfall in steelmaking capacity has led to major supply shortages and further price increases. The most recent round of steel mill increases reflect the highest rate of inflation the industry has experienced to date. This is over and above the previous 6 months of unprecedented price escalation.

As we have stated in previous announcements, there are several drivers causing this volatility including: rapid shutdowns/restarts of automotive and other manufacturing industries caused by the global pandemic, idled or interrupted steel production, government imposed quotas and tariffs on imports, increased demand and consumption of steel products globally. We expect that these trends will continue for the coming months, as domestic mills are backlogged several weeks and their capacity is full for the next 90 to 120 days.

Bailey Metal Products Limited is forced to announce an additional price increase as follows:

The price of all Bailey steel products in all regions will increase 15% effective May 1, 2021.

This increase is in addition to the previously implemented price increases of 10% effective January 1, 2021, 15% February 1, 2021 and the announced 15% April 1, 2021. As mentioned in our previous communications, we recommend that you review your current commitments and requote at these higher rates with additional price escalation as we expect further increases in coming months.

Bailey is committed to supplying you with an uninterrupted supply of quality building products and will endeavor to keep you informed as the situation changes. Please contact your local Bailey representative with any questions or concerns, or if we can be of service in any way.

We appreciate your business and thank you for your continued support.

Sincerely,



Derick Vinthers
Vice President, Sales

CC: Angelo Sarracini