



July 28, 2021

To: Our Valued Customers

Subject: Price Increase – Bailey Metal Products Limited October 2021

The steel industry continues to experience unprecedented volatility related to rapidly increasing prices and major supply shortages. Domestic steel mills continue to be in a sold-out position in addition to production back logs due to lack of capacity. As a result, mills are limiting order intake for the foreseeable future with the expectation of further price increases well into Q4 of 2021. Supply is expected to be tight and spot stockouts are predicted for the next several months. Import markets are experiencing similar inflationary conditions as offshore opportunities are limited and the availability/costs related to ocean freight and shipping containers continue to be a challenge. Domestic mills have reacted yet again with substantial and successive price increases.

As a result of the above, 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% to 20% effective October 1, 2021.

This increase is in addition to the previously implemented 2021 price increases of 10% effective January 1, 15% February 1, 15% April 1, 15% May 1, and 20% in July.

The market reality experienced throughout the year is unchanged as global steel consumption continues to outstrip capacity. We expect this trend will continue and further supply and price volatility is expected to continue for the remainder of 2021.

As mentioned in our previous communications, we recommend that you review your current commitments and requote at these higher rates with additional price escalations as we expect further increases in coming months.

Bailey is committed to providing you with an uninterrupted supply of quality building products. However, current supply chain interruptions may result in lack of availability and delayed shipments. 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