

CAPITAL SHEET METAL, INC.

October 1, 2026

To Our Valued Customers,

Subject: Price Increase Notice – Effective November 1, 2026

Due to continued increases in raw material, labor, and other operating costs, we must adjust pricing across our product portfolio.

Effective for all orders shipped on or after **November 1, 2026**, Capital will implement a **5%-7% price increase** on all lineal and assembled products. Your salesperson will provide additional details prior to distribution of revised pricing in October.

Several market factors have contributed to this adjustment. Section 232 tariffs and subsequent amendments continue to impact the steel supply chain. Earlier this year, steel imports from Asia reached record lows as purchasing shifted back to domestic mills. This onshoring trend resulted in domestic mills operating with fully booked order schedules, tightening supply and driving additional price increases across the steel market. These conditions, combined with ongoing labor and manufacturing cost pressures, have significantly increased our input costs.

Through these challenges, we have worked diligently to minimize the impact on our customers. By maintaining a substantial raw material inventory, we have been able to absorb cost increases longer than many suppliers in our industry. However, the duration and magnitude of recent cost escalation now require a pricing adjustment to ensure we can continue providing the quality products, dependable supply, and service our customers expect.

Despite these challenges, our commitment to service continuity remains firm. To help minimize any potential supply disruption, we will continue our allocation strategy at **120% of your monthly average usage**.

Updated pricing will be provided as soon as it is finalized. We appreciate your understanding and continued partnership. If you have any questions or would like to discuss how this change may impact your business, please don't hesitate to reach out.

Best regards,

Trent Twamley

Vice President

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