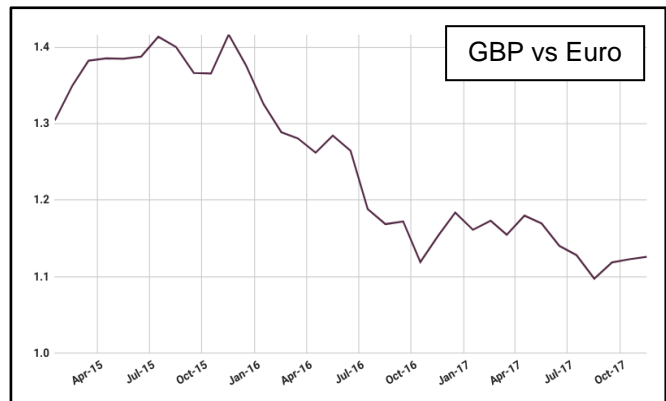
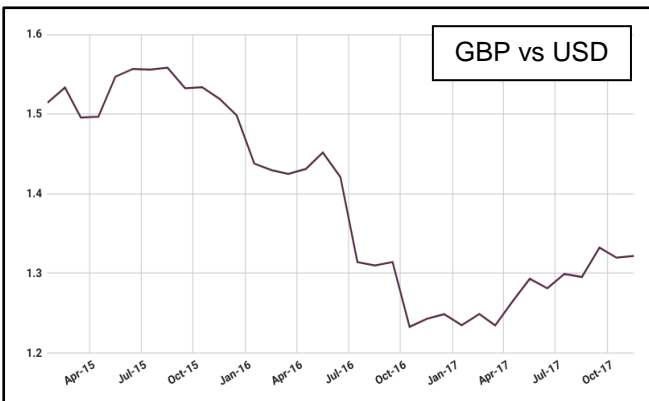


Dear Customer,

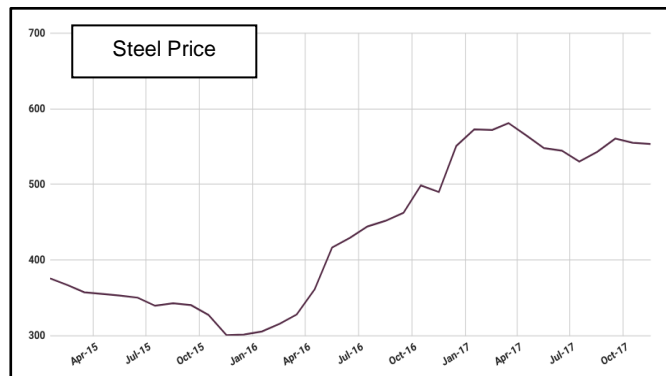
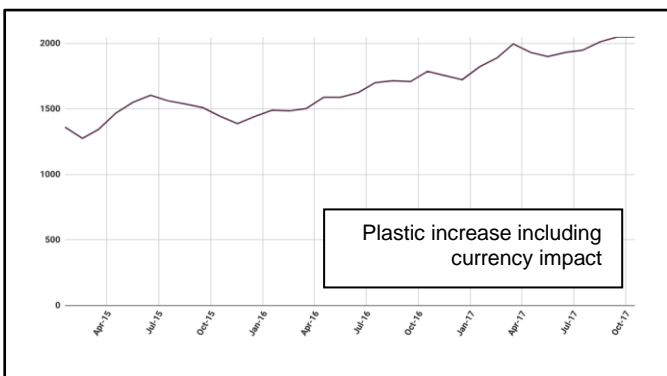
In recent months we have seen several price increases submitted to us from our suppliers. We are challenging these increases with the information we have from tracking currency and commodity products but unfortunately there will be several price increases going through in 2018.

Below I have tried to summarise some of the financial pressures which the suppliers are quoting as the reasoning and backdrop of these increases, below are the agreed price increases for 2018 and also the ones which we are still negotiating and what the supplier has put forward and what month they will land.

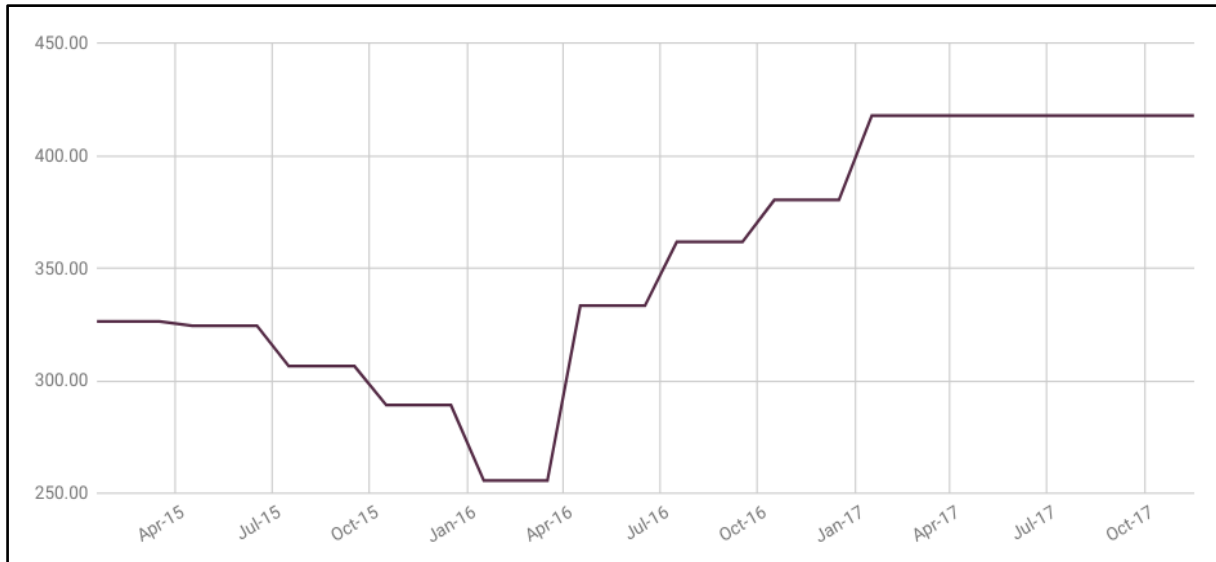
**Currency** - The 2 most significant currencies that affect our suppliers are the US \$ and Euro. The below charts highlight the weakening of the £ we have seen in the last 12 months. This movement has seen the cost of imported good rise whilst also having an inflationary effect on key raw materials traded in either the \$ or €.



**Raw Materials** - 2017 saw all key metals increase in price by around 13% YOY largely driven by improved demand and stimulus measures on a global scale. Plastics prices have been driven upwards by capacity issues and increases in input costs such as Oil and Natural Gas by around 15%.



**Energy** - Following much publicised and significant falls in Oil and Gas prices in 2014 and to a lesser extent 2015 prices have now been on an upward trend for the last 12 months. These increases not only directly affect energy and transport costs but also costs of production and manufacturing.



I hope you find this information beneficial, to avoid any misunderstanding please note that this bulletin is provided as communication of information only and does not directly affect, or form part of, any contractual agreement with our customers.

As I have said we are strongly challenging all price increases which are submitted by suppliers and have also taken a number of steps over recent years to reduce our cost case but unfortunately we have no other option than to pass on the price increases which are currently being submitted by suppliers.

We have a new Keyline website going live on the 18th December ([www.keyline.co.uk](http://www.keyline.co.uk)) where all price increase will be available on a live working document. We will also have a link on the bottom of all emails in January to take you to the update supplier price increase document.

If you have any questions please contact you local branch manager or Account Manager

Kind Regards



Richard Perkins  
Commercial Director

## Supplier Price Increases

Supplier	Product	Indicative Market Increase	Price Increase to be applied to customers	Date price increase to be applied
All Suppliers	Base Aggregates (Bagged & Loose)	3% - 5%	3.0%	01/01/2018
H+H Celcon	Blocks	3.0%	3.0%	01/01/2017
Tarmac (Durox & Toplite)	Blocks	7.0%	7%	01/01/2018
Tarmac (Med Dense)	Blocks	6.0%	4.0%	01/01/2018
Tarmac (Dense)	Blocks	7.5%	4.0%	01/01/2018
Masterblock - AI Dense	Blocks	5.5%	4.0%	01/01/2018
Masterblock - AI Lightweight	Blocks	7.5%	4.0%	01/01/2018
Wienerberger Bricks (Class B)	Bricks	6-10%	5.0%	01/01/2018
P D Edenhall (Conc Common Only)	Bricks	7.5%	7.5%	01/01/2018
Ibstock Brick	Bricks	6-8%	6.0%	01/01/2018
Fosroc	Building Chemicals	3.8%	3.8%	02/01/2018
AI Bradstone	CBP	5.8% - 6.8%	5.8%	01/01/2018
Tarmac Cement & Lime	Cement	3.5%	3.0%	01/01/2018
Castle Cement - Hanson	Cement	4.0%	3.0%	01/01/2018
Viking Johnson	Clay Drainage and Couplings	2.0%	2.0%	01/01/2018
Brett Landscaping	Concrete	4.95% ave	5.0%	01/01/2018
Stanton Bonna Concrete	Concrete Drainage	5.0%	5.0%	01/01/2018
CPM & Milton	Concrete Drainage	7.0%	5.0%	01/02/2018
F P McCann	Concrete Drainage & Lintels	6.5%	5.5%	01/01/2018
Supreme Fencing Products	Concrete Fencing	4.5%	4.5%	01/01/2018
Marshalls (all products)	Concrete Landscaping	6.5%	4.5%	01/01/2018
Supreme Building Products	Concrete products	4.0%	4.0%	01/01/2018
AI Bradstone	Decorative Concrete	5.8%	5.8%	01/01/2018
Emtelle	Duct	8.5%	7.5%	01/02/2018
Polypipe Civils	Duct & Twinwall	6.0%	5.0%	01/02/2018
Liquid Rubber Sales	Felts	2.9%	2.9%	31/01/2018
AI Charcon	Flag & Kerb	5.5% - 6%	4.5%	01/01/2018
Stowell Concrete	Flag & Kerb	3.0%	3.0%	01/01/2018
Polypipe Building	House DRAINAGE	6.5%	6.5%	05/02/2018
Robeslee	Lintels	5.0%	3.5%	01/01/2018
Naylor Concrete	Lintels	7.5%	7.5%	01/01/2018
Supreme Lintels	Lintels	7.4%	7.4%	01/01/2018
Catnic (Tata)	Lintels	7.0%	7.0%	01/01/2018

Electrosteel	Manhole Covers & Castings	7.5%	7.5%	01/01/2018
Saint Gobain	Manhole Covers & Castings	7.5%	7.5%	01/01/2018
Renderplas	Plasters and Plasterboards	3.6%	3.6%	01/01/2018
Wavin	Plastic Housedrain	6.0%	6.0%	01/03/2018
ROM & Romtech	Reinforcement Bar & Mesh	15.0%	15.0%	01/12/2017
Marley Eternit	Roof Tiles & Cladding	4.2% - 7.0%	4.2% - 7.0%	01/01/2018
Redland	Roofing Tiles and Cladding	3% - 10%	TBA	05/02/2018
Russell Roofing	Roofing Tiles and Cladding	7% - 25%	TBA	01/04/2018