



December 19, 2025

To: Our Valued Customers

Subject: Price Increase – February 2026

The Canadian steel industry is feeling the impacts of Section 232 tariffs of 50% imposed by the US Federal Government on Canadian made steel shipped to the US. This substantial tariff has halted Canadian mill access to US markets, resulting in lower output, and mill profitability has reached unsustainable levels. Furthermore, there is speculation of coating capacity idling, which will create supply shortages and extended lead times. As a result, both domestic mills, Stelco and Arcelor Mitel Dofasco, have announced three price increases each totaling \$300 per ton effective immediately.

In addition, the Canadian Federal Government has imposed increased tariffs and quota reductions on corrosion resistant steel imported to Canada in an effort protect the Canadian steel industry. Increased trade restrictions along with a weak Canadian Dollar will limit import opportunities and further tighten supply.

Prices of all steel products in all regions will be increased 15% effective February 16th, 2026.

Bailey Metal Products is committed to providing a reliable and uninterrupted supply to meet your needs.

Please contact your local Bailey representative with any questions regarding current project quotes or any other concerns you may have.

We appreciate your business and thank you for your support.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Vinthers".

Derick Vinthers
Senior Vice President

CC: Angelo Sarracini

