

Sales Bulletin: 2012-4DDC

January 16, 2012

Geography: US

Grid Price Increase Monday, February 27, 2012

Effective Monday February 27, prices of Commercial and Retail versions of Armstrong Suspension Systems including Drywall Suspension, Axiom and Serpentina products will increase 6%.

Steel costs continue to escalate rapidly and impact our manufacturing costs. Since early November 2011, US steel mills have announced (4) major price increases. These increases escalated January steel prices more than 20% higher than November levels.

The principal cost drivers of the steel increases are scrap and extended mill lead times. Prime scrap is now selling at nearly 3 year highs. For perspective, our last grid increase was August 2011. January steel prices are now higher than July 2011 levels.

Service

Based upon our experience with rapid escalation in grid pricing during 2006, 2008, and 2010, we will analyze historical grid order rates. Effective immediately, we will service order volumes based upon the historical purchases by customer.

Commercial Customers

Please use the following guidelines for projects you quote into the future:

- + 5% for quotes after July 30, 2012

We appreciate your business and your support as we navigate through this dynamic environment.