



May 27, 2008

Dear Valued Customer,

Suppliers of every product line we carry have been sending a steady stream of price increase letters over the past several weeks. The steel, tin, plastic and glass markets are very unstable and pricing is constantly changing. As a result, beginning on June 2, 2008, U.S. Container will only be able to confirm pricing at the time of order placement.

Increases taking effect by June 1, 2008 are as follows:

- Steel Drums 19% Increase
- Steel Pails 25% Surcharge
- Tin Cans 20% Surcharge
- Glass 7 to 10% Increase
- Plastic Bottles, Pails & Drums \$0.06/lb in June

Additional increases are already scheduled for mid-June. We are negotiating with each of our suppliers to minimize the impact of these increases. Steel and tin are in short supply and leads times are slowly increasing due to raw material shortages.

Please be assured that U.S. Container has taken the necessary steps to secure supply for all our customers. All four of our warehouses are stocked at the appropriate levels to supply your needs. Should supply become an issue, we will notify you immediately.

Your U.S. Container sales representative is available to discuss current pricing and market conditions.

Thank you for your continued support,

Sincerely,

Gary Walker
VP Sales & Marketing