



3 March, 2004

Dear Customer

Over recent weeks the cable manufactures have brought the substantial increases in the worldwide price of copper to our attention. The copper price increases have well exceeded the rise in value of the New Zealand dollar. Copper is a major cost in most cables and the increases must flow through to cable pieces.

The price of cable went up in December 2003 and our main suppliers have announced that list prices will increase by a further 25% on 1st April 2004 for copper core product.

The purpose of this letter is to advise you of the April price increase and also draw to your attention the present volatility in the copper price and the affect on cable prices. We therefore recommend to you that your give careful consideration to your own business exposure to these factors.

If you are a contractor it would be prudent for you to pass this risk on to your customer or the developer. We may not have seen the last of these price changes especially if the New Zealand dollar falls.

Please don't hesitate to call me, your Branch Manager or Sales Rep if you have any questions.

Regards

Murray Croucher
GENERAL MANAGER

Stewarts Group