

3rd January 2012



Cornish Lime Company Ltd

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Dear Customer

I would like to take this opportunity to thank you for your valued custom during 2011 and hope that 2012 brings with it more cheer than many have experienced of late.

Now comes the sting in the tail, in that it's that time of year where many of our suppliers have been advising us of their impending increases for 2012, the worst culprits by far in terms of the percentage increase seems to be the sand and aggregate producers, where others seem to be pegging any increase to the minimum. Energy costs are the obvious issue that faces us all and the quarrying industry is an energy intense process with their use of heavy plant etc and given that fuel prices have seen an increase of more than 15% in the last 12 months this goes some way to explaining their higher increase. Whilst some of our suppliers have not raised their prices for a long time, events are catching up with them and it has become unsustainable for them as us not to increase prices.

Despite all of this we realise that it's important to ensure that we make every effort to give you the very best service and products at the most competitive prices we can, for example we have not increased the price of our Lime Putty for well over three years now, largely down to investing in more efficient methods of production, but these have now been eaten into by all the increases we have absorbed during that time, from rising energy costs and the knock on effects that brings about and we are having to raise our prices for lime putty by 2.5% which is well below the actual increases we have suffered.

As such St. Astier has advised that there will be a 3% increase on their NHL3.5 and NHL5 from the 1st January 2012, their first increase for three years. Beeck's have recently imposed a 10% increase on their prices, the first for nearly two years.

While I'm sure the increases are not welcome please don't hesitate to contact me if you have any questions regarding the above or any other issue that I can be of any assistance with.

Yours faithfully

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Building Conservation Materials & Services
Lime Putty, Lime Mortar, Lime Wash
Sands, Aggregates, Paving & Patio Products, Natural & Mineral Paints, Tools & Accessories