

July 10, 2008

To: Authorized U.S., Canada and Mexico Distributors

Subject: **Price Increase and Freight Minimum**

In response to accelerated increases in material, transportation and energy-related costs, we are adjusting prices and current freight minimums.

In terms of the price increase, we are increasing prices on a broad array of products across all key categories, ranging from 5% to 10%, effective August 25, 2008. Among affected categories are the following:

- HID
- Fluorescent
- Downlighting
- Emergency
- Modular Wiring

Please review the price increase details below, and note that your local agency representative will provide you with updated stock product pricing reflecting the amount of the increase.

- Orders received for immediate release before the close of business Friday, August 22, 2008, will be invoiced at current (pre-price-increase) prices.
- Orders received after Friday, August 22, 2008, will be invoiced at new (increased) prices.
- Previously issued and currently outstanding quotations will be honored according to the terms and conditions of the quotation.
- Effective August 25, 2008, all new quotations will be issued using new prices.

In regard to freight minimums, Acuity Brands Lighting will be changing the current \$2,000 threshold to \$3,000 for all orders received on or after Monday, August 25, 2008. This change affects the Lithonia Lighting, RELOC, SYNERGY, Antique Street Lamps, SpecLight and Gotham brands. The freight threshold for the Hydrel brand is also changing, moving from \$2,500 to \$3,000. The freight threshold for the Peerless brand remains \$3,000.

Updated Terms and Conditions of Sale will be posted to current links on the Web sites of affected brands prior to the effective date.

As we manage through continuing challenges in regard to material, energy and transportation costs, we are working in parallel to deliver even more new and exciting products, coupled with best-in-class service. With that said, we understand these changes involve significant effort on your part, and we are committed to working with you to accomplish them in the most efficient manner possible.

Thank you in advance for your efforts in the successful implementation of these changes. Please contact your local agency representative with questions and for additional assistance.

Sincerely,



William J. Astary
Senior Vice President, Sales
Acuity Brands Lighting