



Acuity Brands, Inc.
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To: U.S. Authorized Acuity Brands Distributors

Effective September 12, 2011, Acuity Brands will increase prices on most commercial, industrial and institutional lighting fixtures by 3% to 5%. LED luminaires, Acuity Brands Controls and Healthcare Lighting are excluded from this increase.

Costs for production materials have increased substantially in 2011, and it is necessary to recover these costs with increased prices. To cite just a few examples of the widespread cost increases:

- Fluorescent lamp costs are being driven higher largely because of their content of rare earth metals. These metals are increasingly being used for green-technology products, consumer electronics and for expanded use as fluorescent lamps replace incandescents. Meanwhile, world output of rare earth metals is restrained, and their costs have soared. Current price lists and quotations will be adjusted for what is known as the immediate effect of fluorescent lamp costs, and revised based on any further adjustments that occur with the September 12 general increase.
- Plastic raw materials for lenses and diffusers have increased in costs because the Midwest river flooding has affected availability, and suppliers' costs for petroleum have substantially increased from our last price adjustment.
- Although fuel costs have recently retreated somewhat, the expenses for transit have settled at higher levels, up 6.2% year-to-date through June per the U.S. Department of Energy. Acuity has chosen to recoup these higher transportation costs as part of a general price increase to allow us to keep our prepaid freight terms at the traditional levels.
- Aluminum and steel costs have stabilized, but at significantly higher levels than earlier in 2011.

Acuity Brands will honor quotations for projects based upon the terms of the quote. **The last day for the release of orders at the current prices is September 9, 2011. Orders entered after this date will be invoiced at increased prices.**

Acuity Brands is a market leader in product and application solutions, and we continue to invest in innovative application solutions. We have the most fully staffed and most competent agency sales support in the industry. We will continue to work hard to earn your support. We appreciate your business.

Regards,

Geoff Marlow
Sr. VP, Sales

Myron Martin
VP, Pricing and Margin Management