

912 Washington Street
Joliet, IL 60433
Phone: 815-726-4600
Fax: 815-726-8912

Date: July 21, 2008

To: Our Valued Customers

Re: FGI Announces price increase on HVAC and HEPA grade filtration products.

Filtration Group takes great pride in providing our broad AeroStar® line of air filtration products to our distributors in a valuable package. The combination of developing and releasing new products, such as our NovaPleat®, Titan FP®, GeoPleat®, and HEGA® filters, industry leading service and engineering support, and our excellent distributor network have allowed both Filtration Group and our distributors to grow profitably together over the years.

During the first two quarters of 2008 we have received unprecedented cost increases in our staple raw materials including metal, paper products and packaging, glues, glass-mat technical paper, and of course all petroleum based raw material such as polypropylene, urethanes, and polyester products. Filtration Group's investments in automation and lean initiatives have helped offset most of these increases.

However, we are forced to pass a modest amount of the increases to the market in order to remain in the leadership role we have obtained together. Beginning August 18th, 2008 we will be issuing a 5%-7% price increase on our HVAC, HEPA, and HEGA products. Responding to feedback from key distributors we will be adjusting existing multipliers to reflect the price change as opposed to issuing new price pages. Please contact your regional sales manager for more details, or feel free to contact me directly at 502-241-2445.

Raising prices is never easy, especially mid-year, and always only invoked as a last resort. We appreciate your understanding and loyalty during these very turbulent times.

Regards,



Eugene Beck
Business Unit Manager – Commercial & Industrial
Filtration Group