

Drocourt, 15 April 2011

Dear Customer,

Following the communication letter of 24 March, this is update of supply situation of Telene by our parent company Rimtec and Zeon.

Rimtec and Zeon have managed to continue its operations and arranged for shipment of goods as planned. Only impact we see is occasional change of supply in IBCs to drums.

While some uncertainty remains, we start to be more and more confident that impact of disaster in Japan on supply situation for Telene will be limited, if any at all.

First quarter results 2011 and forecast Q2 2011 are significantly higher compared to first half 2010. Good news of course but does underscores the importance of planning. Please continue to actively work with Ralph Hedel on weekly updates of your company's forecast and to place firm orders as early as realistically possible. This will facilitate planning and also allows us to alert you as soon as possible if any operational issues are likely to impact the supply.

From various molders we received concerns regarding possible radioactive contamination of goods from Japan. We like to remind you that Telene products, including its main raw material DCPD, are manufactured more than 650 kilometres from Fukushima. Goods leave from Kobe harbour, also more than 500 km from the disaster area. In addition ports of both Antwerp and Rotterdam have started to measuring ships from Japan on radioactivity (for further details see www.portofrotterdam.com/en/News/pressreleases-news/Pages/port-authority-start-measuring-ships-japan-sea-radioactivity-entering-port.aspx and www.portofantwerp.com/portal/page/portal/POA_EN/110324%20Internetbericht%20sirenetestenEN.pdf).

We are fully aware of the numerous requests regarding contingency planning. During the JEC show in Paris earlier this month, we had the opportunity to address this topic with some of you verbally. Next week I will be in Japan for quarterly meeting, and on the agenda is topic of contingency planning and more specifically what needs to be done and can be communicated beyond existing contingency plan for Telene.

Sincerely,

Alexander Daemen
President