

Vienna, 08.10.2017

Information to customers about contamination of polyurethane foam by TDI from BASF:

On October 5, 2017 Eurofoam has been informed by BASF Polyurethanes GmbH, a supplier of TDI, that TDI batches which had been shipped by BASF between end of August 2017 and end of September 2017 contained very high levels of Dichlorbenzol (DCB) – see the attached information from BASF. The levels of DCB contained in the supplied TDI are significantly above the permissible maximum and thereby possibly create a risk for quality, health and safety.

Eurofoam has immediately stopped production and deliveries of foam in those plants affected, blocked all potentially affected products and started investigating possible consequences. We are in no position to assess the risks of the contaminated TDI on the usage of our polyurethane products.

The shipment of contaminated TDI had direct effect on the production of polyurethane foam at the following Eurofoam plants:

- Ebersbach (Germany)
- Kremsmünster (Austria)
- Sibiu (Romania)*

*to our current knowledge no contaminated polyurethane products have been shipped from our plant in Sibiu.

Eurofoam is now analysing all production and delivery information in order to identify those customers which have received affected deliveries and products. Identified customers will be informed by the respective Eurofoam plant as soon as possible.

We expect the limited availability of TDI to worsen and we have to assume that TDI will remain in short supply. All Eurofoam plants might be affected by this shortage. This can lead to longer delivery times.

Eurofoam has taken immediate measures in order to return to standard delivery times in all plants. We also investigate options for alternative products, supplies or solutions which might support our customers in reducing the negative impact of disruptions in the supply chain.

We are fully aware of the major challenge this situation is creating not only for us but also for our customers. Eurofoam is fully engaged in clarifying the current situation. Eurofoam is committed to obtain additional information from BASF, which may help to answer various open questions. We regret any inconvenience this may cause.

Sincerely,



Alexander Mikolasek
CEO Eurofoam Group

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Lupranate T 80 A ex Ludwigshafen with increased level of Dichlorobenzene (DCB)

Dear Sirs,

We refer to our deliveries of captioned product to you, manufactured in our Ludwigshafen plant between August 25th, and September 29th, 2017. We now have determined that the product contained a specific Dichlorobenzene impurity level which is significantly above the impurity level regularly experienced by BASF.

Dichlorobenzene consists of 3 isomers: (i) 1,2 and 1,3 dichlorobenzene, which are classified as acute toxic, category 4 and (ii) 1,4 Dichlorobenzene, which is classified as carcinogenic, category 2 (suspected of causing cancer). Threshold levels for halogenated aromatic hydrocarbons (incl. Dichlorobenzene) in PUR-Foams, especially in mattresses, are specified in certain industry certificates at e.g., 10 µg/m³ after 7 days (at 23 °C, 50% rel. humidity, air flow rate 0,5 m³/m²h) on the basis of a test chamber examination in accordance with DIN 16000-9.

To the extent you are still storing respective Lupranate T 80 A we ask you to provide us with a respective tank sample prior to any further processing so that we can evaluate the level of Dichlorobenzene in the stored product. In the event the Lupranate T 80 A is already processed, we recommend to test the foam via a chamber test whether it meets the thresholds of the relevant industry standards prior to a sale of such foam. If required, such tests should also be performed by your customer.

For the purpose of confirmation: The impurity of the Lupranate T 80 A is limited to product manufactured (i) in Ludwigshafen, and (ii) only during the period from August 25th until September

29th, 2017. We have already implemented all required actions to exclude further occurrence of Dichlorobenzene contaminations.

Your BASF sales representative will contact you to detail the further proceeding of affected deliveries to you.

We will support you with all feasible efforts to avoid any damage and apologize for any caused inconveniences.

Yours faithfully,

BASF Polyurethanes GmbH
Business Management Isocyanates Europe



ppa. Frank Jungmann
Vice President



ppa. Stefan Ullmann
Head of Sales Western/Central Europe