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To Whom it may concern

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Your ref.

Your letter of

Our ref

Herisau

March 16th, 2011

Earthquakes in Japan

Dear all,

Everybody has heard about the dreadful earthquakes and Tsunami flooding which have happened in the last days in Japan and the huge damages caused by these natural disasters.

We would like to give you some information on the expected impact of this disaster on our Supply Chain and the ability of HUBER+SUHNER Group to deliver further on to our customers:

- The HUBER+SUHNER Group has no manufacturing plant in Japan. Therefore our global production capacities are not directly affected by the earthquake.
- We have 2 major Suppliers in Japan. Both are Suppliers delivering goods for FO products. The 2 Suppliers fortunately have not been hit by the disaster and are able to continue to run their production facilities. Therefore we don't expect a direct influence on their delivery ability. But we have to be aware that the road transportation could be slowed down due to interruption of roads and airport capacities in the Tokyo Airport might be not working at full capacity causing some delays in the transportation of goods. In addition it's not yet possible to evaluate the impact of the possibly reduced availability of electrical power.
- For both Suppliers we have a second source in place which is not located in Japan. If there should be any delivery bottlenecks of the main source we will be able to close the respective gap.

Therefore based on these first investigations we don't see at the moment any negative impact on our ability to serve our customers as a consequence of the earthquakes in Japan. You can be assured that we will continuously follow up the situation and that we initiate all necessary actions to avoid delivery problems to our customers.

Best regards,

HUBER+SUHNER AG

luw lum Dr. Ulrich Schaumann Manager Global Operations