

PRESS RELEASE**Glue supply bottlenecks due to low water levels****Nolte Holzwerkstoff must interrupt production**

+++ Germersheim, October 31, 2018 - Dried-up filling stations, metre-long sandbanks and reduced production: The continuing low water levels in the Rhine River have an impact on diverse production and supply chains in all sectors of the economy. The Germersheim chipboard manufacturer Nolte Holzwerkstoff is also affected and has to interrupt its production.

Due to the unusually long and dry late summer, the water levels on the Rhine are at a historic low. BASF in Ludwigshafen, which is dependent on the supply of raw materials by water, must therefore reduce its glue and resin production. As the BASF Ludwigshafen plant is Nolte Holzwerkstoff's most important glue supplier, the Germersheim company is also directly affected by the supply bottlenecks. "The quantities of glue currently supplied do not cover our needs in order to continue our particleboard production at the usual level," says Managing Director Alexander Kolb. "Therefore, we must suspend production from November 3rd up until and including November 6th."

No immediate impact for customers

There are no delivery delays for chipboard which was already ordered. "We always keep a healthy stock in order to be able to buffer short-term interruptions in our production at any time," reports Kolb. "All current orders and promised quantities shall be delivered as agreed." Whether the supply of glue will ease in the coming weeks depends on two external factors: the situation of the Rhine water levels and alternative sources of raw materials. "As far as the Rhine water level is concerned, we do not expect any improvement in the near future," says Kolb. "The good news is: negotiations with alternative glue manufacturers are progressing positively. For future orders, however, we can no longer rule out extended delivery times due to reduced production." According to the Managing Director, alternatives such as board buy-ins are also being examined in order to minimise the impact on customers.

About Nolte Holzwerkstoff

As the oldest active chipboard manufacturer in the world, Nolte Holzwerkstoff has over 65 years of experience in the industrial manufacture of chipboard panels that are known and respected by industry and trade throughout Europe. The first chipboard was produced by Nolte Holzwerkstoff in



1951 in Rheda-Wiedenbrück, Germany. The company has been headquartered in the Rhineland-Palatinate town of Germersheim since 1973. Nolte Holzwerkstoff develops and produces chipboard under the brand name "Rheinspan" for many diverse customer requirements. The family-owned company is now in its fourth generation of management and its production is not restricted to certain standard dimensions, rather, it is flexible in regards to both dimensions and cuts. Working jointly with customers in this way, tailor-made special solutions can be developed. At this time, the Nolte Holzwerkstoff plant site in Germersheim employs approximately 200 workers.

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