

31<sup>st</sup> May 2018

Dear Valued Customer,

We wish to inform you of the critical situation facing the production and sourcing of Polyamide 6.6 (PA6.6) across the globe. As you are aware, PA6.6 is a key material used in the manufacture of HellermannTyton's plastic products.

In the US and Europe, we have seen Force Majeure declarations from key suppliers of pre-cursor material (ADN & HMDA) leading to a severe shortage in PA6.6 production. This, combined with high demand due to strong economic conditions has resulted in exceptional price increases from all suppliers of PA6.6.

For some considerable time, the severe bottlenecks and supply allocations have forced us to accept and absorb continued price increases to secure our own supply. Not doing so would disrupt and cause stoppages in production risking failure to meet contractual obligations to you.

These supply issues and subsequent price increases are not expected to be resolved in the short term. Force Majeure declarations and supply allocations are still in place and severe bottlenecks are expected to continue well into 2019.

Unfortunately, HellermannTyton can no longer absorb these price increases. Therefore, with effect from 1<sup>st</sup> July 2018, we need to implement a price increase in the range of 12% for all items that contain PA6.6 material.

However, due to the scale of the PA6.6 cost increases, these efforts will not be enough, and we are required to take action on our pricing to enable us to secure the material we need and to protect your business.

Our sales force will be in close contact with you to explain further the situation if needed.

Beside this situation we wish to continue to develop the strong relation we have built together over the past years.



Yours Sincerely

Richard Da Silva  
HellermannTyton Australia  
General Manager