

Media Statement
January 28, 2009

Knauf Plasterboard Tianjin Co., Ltd. (KPT) has been the focus of the recent controversy over imported plasterboard because it marked its plasterboard with its name according to industry custom and practice and as required by Chinese law. There are numerous manufacturers of plasterboard in China as well as other countries. Because of a shortage of construction materials from a booming housing market and massive damage in the U.S. in 2005 by Hurricanes Katrina and Wilma, U.S. builders, suppliers and importers began bringing significant stocks of foreign manufactured plasterboard into the U.S. During 2006, plasterboard from various countries was used including China, Mexico, Canada and other countries along with U.S. plasterboard.

KPT is the only manufacturer to respond to builders' complaints and conduct testing to ensure that there are no health risks to Florida homeowners. KPT is a responsible company and abides by the highest standards for manufacturing. KPT is ISO 9001 certified. The KPT plasterboard was manufactured in accordance with and marked with ASTM 36 at the request of its customer.

Other than KPT, it appears that most Chinese manufacturers of plasterboard did not brand their plasterboard. Only about 20% of the plasterboard imported from China over the 16 months, mostly in 2006, that Chinese plasterboard was imported was manufactured by KPT. This includes significant stocks of other manufacturers' plasterboard imported into Miami, Tampa and other Florida ports. KPT's plasterboard was imported by importers, builders and suppliers from January 2006 through October 2006. KPT has inspected and been informed of homes that have plasterboard other than KPT's and exhibit an odor and blackening of copper.

Even though KPT constitutes only a minority of the imported plasterboard, it is investing in exhaustive testing to determine what is happening and to ensure that there are no health risks associated with its product and its use in homes. The sulfur compounds detected in testing in homes have been found at no greater levels than air outside homes or in soil, marshes or the ocean. Their low levels do not present a health risk to persons within the homes. The company is conducting a thorough investigation and cooperating with builders and the Florida Department of Health.

Until last year in Florida, no complaint had been raised and no product had been rejected because of odor or impacts to copper in the nine years of KPT's operation. The company remains committed to assuring the health and safety of the ultimate consumers of its products in the construction industry as it has in the past.