

24 August 2011

Dear Valued Customer

Recently you contacted us regarding concerns over issues raised by ABC TV's *Foreign Correspondent* program about the Asia Pacific Resources International Limited (APRIL) milling operations in Sumatra, Indonesia.

I asked for your support whilst we undertook a formal review of the matter with APRIL and other relevant stakeholders, including leading environmental groups such as Greenpeace and the WWF.

As a result of our review, Officeworks has decided to suspend procurement of APRIL's products with immediate effect. We take our environmental responsibility very seriously and this decision is a reflection of that commitment.

You are likely to see some stocks of Lazer IT and PaperOne in Officeworks stores in the short term as we sell through existing supplies. After consideration of the options available to us we have reached the conclusion that dumping or destroying stocks would not be a favourable environmental outcome.

We are mindful that our decision may have social implications in Indonesia and impact on APRIL employees in Australia. To that end we have advised APRIL that we remain open to a constructive dialogue and have communicated a number of key sustainability considerations, including achieving the required international certification standards that must be satisfied for us to consider lifting our suspension.

We remain open to working with APRIL towards developing sustainability standards which are acceptable to Officeworks and our customers.

Thank you once again for taking the time to contact us and sharing your concerns and for your patience in allowing us to resolve the issue.

Yours sincerely

Mark Ward Managing Director