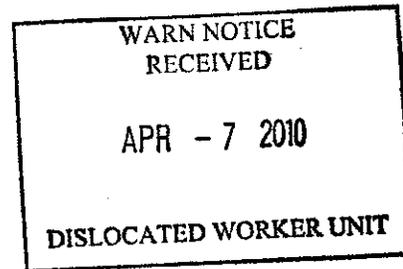


KNAUF INSULATION

April 6, 2010



Teresa Voors, Commissioner
Indiana Department of Workforce Development
Dislocated Worker Unit
10 North Senate Avenue
Indianapolis, IN 46204-2277

Re: Anticipated Lay-offs for Knauf Insulation's Facilities Located at 400 East Walker Street and 100 Knauf Drive, Shelbyville, Indiana 46176

Dear Ms. Voors:

The economic recession continues to have a tremendous negative impact on the entire building materials market. The down markets, coupled with excess inventory, have forced Knauf Insulation to make strategic production adjustments in order to keep supply in line with demand. As a result, during the week following June 6, 2010, Knauf Insulation will be implementing a number of employee lay-offs. Based upon the information available at this time, Knauf anticipates that the lay-offs may be in excess of six months and it is unknown if they will be permanent. Up to 100 production employees will be affected by this lay-off. At this time, based upon current information available to the Company, it is projected that the date for the first set of personnel separations will occur after the first week of June, 2010. There is union involvement in this situation and bumping rights exist for those positions.

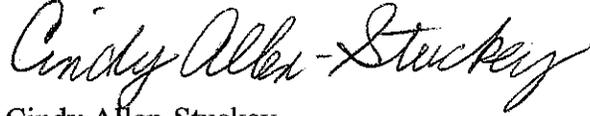
The name of the union involved is Glass, Molders, Pottery, Plastics & Allied Workers of the United States and Canada, Local No. 32. The chief elected officers for the union are:

Randy Gould
International Vice President
8758 Carriage Lane
Pendleton, IN 46064

Mike Theobald
Local #32 President
3179 N. 775 East
Shelbyville, Indiana 46176

For further information or questions, please contact Jeff Whitaker at (317) 398-4434, ext. 8611 or me at ext. 8103.

Respectfully,

A handwritten signature in cursive script that reads "Cindy Allen-Stuckey".

Cindy Allen-Stuckey

Director, Human Resources & Organizational Development