



OFO to halt sawlog exports to meet strong domestic demand

20th February 2018

OneFortyOne Plantations today announced that as a result of strong domestic demand and the continued outperformance across the building industry, it has advised customers that there will be no sawlog exported from its estate for the next financial year.

OFO's Chief Executive Officer, Linda Sewell said "The volume of sawlog we export has been steadily in decline in recent times due to high demand from our domestic customers. Whilst demand remains strong, we will further support the local industry by retaining the logs onshore."

Today's announcement comes as the domestic timber industry continues to experience its strongest performance in 15 years, and follows OFO's previously announced decisions in 2017 to cease exporting large saw logs and to formally withdraw from the Korean export market.

As the local industry processors have made significant investments in their mills and operating technology over the past five years, the Company has found its customers are seeking more fibre than ever before.

"We have been meeting the rising domestic demand where we could do so sustainably. Our focus is to support the current capacity of the domestic industry and not compromise the long-term sustainability of our forests by expanding beyond its means".

The Company has confirmed that it will continue to export surplus pulplogs produced from critical forest thinning programs that are needed to ensure healthy forests. Whilst domestic demand is currently strong, the Company does not preclude exporting sawlogs in the future, if market conditions change.

"We worked hard to develop export markets, and like any industry, we need the diversity that those markets bring to help smooth domestic market fluctuations", said Ms Sewell.

OFO's focus on the domestic industry has seen the company increase the number of local customers, and increase the volume supplied to those customers by more than 45% over the past five years.

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