

## **PRESS RELEASE**

**DETREX CORPORATION - (OTCQX:DTRX)**

November 14, 2017

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### **Merger Agreement for the Sale of Detrex to Italmatch for \$27 per share in Cash Announced**

Cleveland, Ohio – November 14, 2017 – Detrex Corporation (“Detrex”) (OTCQX:DTRX.PK) and Italmatch Chemicals Group (“Italmatch”) jointly announced today that they have entered into a definitive agreement and plan of merger (“Merger Agreement”) pursuant to which a newly formed subsidiary of Italmatch will acquire Detrex for \$27.00 a share in cash.

Under the terms of the Merger Agreement dated November 10, 2017, each share of Detrex common stock outstanding immediately prior to the merger will be converted into and exchanged for the right to receive \$27.00 in cash. The merger consideration represents a 8% premium over the closing bid price of Detrex’s common stock as quoted on the website of OTC Markets Group on November 9, 2017, and a 9% premium over the average price for the 30-day period ended November 9, 2017, and a 16% premium over the average price for the 90-day period ended November 9, 2017. The Boards of Directors of both companies unanimously approved this transaction.

Thomas E. Mark, President and Chief Executive Officer of Detrex, said: “After thorough analysis, the Board has unanimously endorsed this proposed sale, which we believe maximizes value for our stockholders. On behalf of the Board, I would like to recognize our outstanding team of dedicated employees who have made Detrex and its operating subsidiary, The Elco Corporation (Elco), the success it is today. Elco and Italmatch share the same high operating standards and have a similar overall company culture. The Board believes this is a great opportunity for Elco to be a part of an organization with deeper resources and operational scale in the specialty chemicals business. We look forward to working with Italmatch to promptly complete the transaction.”

Sergio Iorio, Managing Director of Italmatch Chemicals Group, said: “Italmatch Chemicals is a leading global specialty additives company with 340 million Euros in sales and a strong focus and commitment, through R&D and innovation, on the

industrial lube oil markets. We have known Elco, its products and Management Team for many years. Elco will bring highly complementary products, synergies and geographical aspects, as Italmatch is focused on EMEA markets and Elco on NA/LATAM markets, with sales and organizational synergies in other Regions. In addition, from a product portfolio point of view, Italmatch is a leader in special synthetic base stock and anti-wear additives, and Elco has a distinctive and very complementary position in EP additives and Ad-pack for grease and MWF. We believe both companies share the same spirit and interest for innovation and we are confident of a bright future together.”

The proposed merger is expected to close by December 31, 2017, subject to the approval by the holders of at least two-thirds of the issued and outstanding shares of common stock of Detrex and the satisfaction or waiver of customary closing conditions. There is no financing condition to complete the proposed acquisition. Directors and major shareholders representing approximately 52% of the shares have agreed to vote in favor of this proposal unless a Superior Proposal (as defined in the Merger Agreement) is received.

The section of the Merger Agreement addressing competing proposals received by Detrex prior to approval of the Merger Agreement will be accessible on Detrex’s website under “News -- Financial Reports” at [www.detrex.com](http://www.detrex.com), or from the OTC Markets’ website at [www.otcmarkets.com](http://www.otcmarkets.com) under the ticker “DTRX.PK.”

KeyBanc Capital Markets Inc. is acting as financial advisor to the Detrex Board, and has provided a fairness opinion to the Board in connection with the transaction. Clark Hill PLC is acting as legal advisor to Detrex in connection with the proposed merger. Lincoln International is acting as financial advisor to Italmatch in connection with the transaction. Dykema Gossett PLLC and Giovannelli e Associati are acting as legal advisors to Italmatch in connection with the transaction.

## **About Detrex Corporation**

Detrex is a Michigan corporation that manufactures high performance specialty chemicals serving three distinct business areas; namely additives for industrial

petroleum products, high purity hydrochloric acid for the semiconductor industry, and specialty chemicals.

### **About Italmatch Chemicals Group**

Founded in 1997, Italmatch Chemicals is a leading innovative chemical group, specialized in performance additives for lubricants, water treatment, oil & gas and plastics, and boasts a wide product range able fulfil the requirements of the most demanding applications, including personal care. The group generates 340 million Euros in revenues and operates through six manufacturing plants in Europe (Italy, Spain, Germany and UK), four in Asia Pacific (China and Japan), two in North America (USA) and sales/distribution subsidiaries in Belgium, China, Japan, India, Poland, Singapore and the USA. Italmatch has over 500 employees.

Italmatch is controlled by funds managed by Ardian France S.A., the largest European independent private investment company and a world leader in private equity, which acquired the majority of Italmatch together with management in July 2014 and is committed to supporting the company's growth.

**THIS PRESS RELEASE CONTAINS ONLY A BRIEF DESCRIPTION OF THE PROPOSED MERGER. IT IS NOT A REQUEST FOR OR SOLICITATION OF A PROXY OR AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES, NOR SHALL THERE BE ANY SALES OF THE SECURITIES MENTIONED IN THIS RELEASE IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF ANY SUCH STATE. THE OFFER AND SALE OF DETREX COMMON STOCK AND ANY OTHER SECURITIES IN CONNECTION WITH THE MERGER HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION. BECAUSE THE SECURITIES ARE NOT REGISTERED, THE SECURITIES MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES ABSENT REGISTRATION OR AN EXEMPTION FROM REGISTRATION. IN CONNECTION WITH THE PROPOSED MERGER, A DEFINITIVE PROXY STATEMENT, WHICH WILL CONTAIN A DESCRIPTION OF THE MATERIAL TERMS AND CONDITIONS OF THE MERGER AGREEMENT, WILL BE SENT TO DETREX'S STOCKHOLDERS SEEKING THEIR APPROVAL OF THE PROPOSED MERGER. DETREX'S STOCKHOLDERS MAY OBTAIN FREE COPIES**

**OF THE PROXY MATERIALS ONCE THEY ARE AVAILABLE BY CONTACTING BOB LUNOE, AT 1000 BELT LINE STREET, CLEVELAND, OHIO 44109, 216-749-2605. THE DEFINITIVE PROXY STATEMENT, INCLUDING THE MERGER AGREEMENT, WILL ALSO BE POSTED ON THE DETREX WEBSITE AND THE WEBSITE OF THE OTCQX IN ACCORDANCE WITH OTCQX RULES. SHAREHOLDERS ARE URGED TO READ THE ENTIRE PROXY STATEMENT REGARDING THE MERGER WHEN IT BECOMES AVAILABLE, AS WELL AS ANY OTHER RELEVANT DOCUMENTS CONCERNING THE PROPOSED TRANSACTION, TOGETHER WITH ALL AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, AS THEY WILL CONTAIN IMPORTANT INFORMATION.**

Detrex and its directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of Detrex in connection with the proposed merger. Additional information regarding the interests of those participants may be obtained by reading the Proxy Statement regarding the proposed merger when it becomes available.

Forward Looking Statements: *To the extent any statements made in this news release deal with information that is not historical, they are forward-looking statements under the Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to a number of known and unknown risks and uncertainties that may cause our actual results to differ materially from the future results, trends, performance or achievements expressed or implied by such forward-looking statements. Any forward-looking statements relating to the transaction discussed above are based on our current expectations, assumptions, estimates and projections and involve significant risks and uncertainties, including the many variables that may impact or are related to consummation of the transaction; the continuing determination of Detrex's Board of Directors that the transaction is in the best interests of all shareholders and whether any additional acquisition proposals or superior proposals are made; the failure of the Detrex shareholders to approve the transaction; the failure of either party to meet the conditions to the closing of the transaction; delays in completing the transaction and the risk that the transaction may not be completed at all; the businesses of Detrex and Italmatch may not be combined successfully, or such combination may take longer, be more difficult, time-consuming or costly to accomplish than expected; operating costs and business disruption during the pendency of and following the transaction, including adverse effects on employee retention and on business relationships with third parties; general business and economic conditions; the combined company's need for and ability to obtain additional financing. You are urged to consider all such factors. In light of the uncertainty inherent in such forward-looking statements, you should not consider their inclusion to be a representation that such forward-looking matters will be achieved. All forward-looking statements in this news release speak only as of the date of this news release and are based on Detrex's current beliefs and expectations. Detrex*

*undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.*

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