



PRESS RELEASE

ITALMATCH CHEMICALS Group enters into an agreement for the acquisition of Afton Chemical's metalworking fluid (MWF) business.

The transaction is consistent with Italmatch Chemicals Group's growth strategy and strengthens its position in industrial lubricants market.

Genoa – 27 April 2018 – Italmatch Chemicals, a global specialty chemical group leader in the production and marketing of industrial lubricants, performance additives for water & process treatment, oil & gas and plastics, entered into an agreement with Afton Chemical, a global leader in the lubricant and fuel additive market, for the acquisition of Afton's metalworking fluid business (former Polartech).

In particular, the deal includes: the acquisition of the entire business and assets relating to metalworking fluid carried out in Bedford Park (Illinois, USA) and Manchester (UK, Europe) sites, the know-how, technology and business in India and China, with production carried out from Hyderabad plant and in China.

This transaction further strengthens Italmatch Chemicals Group's position in the industrial lubricants and MWF business, integrating the current production range with a series of fluid additives for high-performance metal processing thanks to the application of advanced technologies.

Sergio Iorio, CEO of Italmatch Chemicals Group, stated: "This acquisition represents for Italmatch Chemicals a significant step forward in the strategy of expanding its market position in the industrial lubricants market – The agreement strategically follows the recent acquisition of Elco Corporation in the USA, still in industrial lubricants business, allowing an important development of our current production range, through the introduction of new and advanced technologies mainly dedicated to water MWF and permitting to count on new sites in the USA, in Europe and India. In the recent years we have heavily invested in this field and we are proud to be considered today a leading international player."

Maurizio Turci, CFO, Corporate Affairs and HR Director of Italmatch Chemicals Group said: "The transaction falls into Italmatch Chemicals Group's growth strategy and follows the recent acquisitions in Latin America, in the USA and in Asia-Pacific and proves the Group's aim to keep growing also through external lines and global coverages. From an industrial point of view, this acquisition presents strong components of innovation, research and technology and with the launch of significant entrepreneurial and commercial synergies, it can have a positive impact on medium/ long-term sustainability for the results of the industrial lubricants Business Unit. "

The transaction is expected to close by the end of May 2018.

Founded in 1997, Italmatch Chemicals, is a leading innovative chemical group, specialized in performance additives for water treatment, oil & gas, lubricants and plastics, and boasts a wide product range able to fulfil the requirements of the most demanding applications, including personal care.

The group generates 420 million Euros in revenues and operates through six manufacturing plants in Europe (Italy, Spain, Germany and UK), four in Asia Pacific (China and Japan), four in North America (USA) and sales/distribution subsidiaries in Brasil, Belgium, China, Japan, India, Poland, Singapore and the USA. It employs over 750 workers.

Ardian, the largest European independent private investment company, acquired the majority of Italmatch Chemicals together with the management in July 2014 and is committed to supporting the company's growth.

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