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HEXPOL's acquisition of the global rubber compounding group Excel Polymers completed

All regulatory approvals and contractual conditions for the transaction have been met and the acquisition has been completed as of November 30, 2010.

Excel Polymers is a leading global supplier of performance elastomer solutions, offering a comprehensive portfolio of compounded polymer materials, performance additives and technical know-how, mainly sold to rubber parts manufacturers.

Excel Polymers has an extensive breadth of compounding capabilities. The global production footprint consists of eight manufacturing facilities strategically located in the US, China, Mexico and the United Kingdom.

The company offers formulations and products to a number of end markets including general industrial, construction, automotive, printing, heavy machinery, oil&gas and consumer.

HEXPOL Group will through the acquisition of Excel Polymers have expertise and manufacturing presence in 9 countries with 24 manufacturing facilities and will be the world leading global rubber compounding group.

“With the acquisition of Excel Polymers we are improving our capabilities and manufacturing footprint in order to service our customers on global reach. Our customers will experience the combination of global reach and local personalized service as we reinforce our theme “think globally, act locally”. We are excited about the enhanced technology resources, capabilities and competences. I am enthusiastic about finally being able to kick off the integration process and I am very much looking forward to work together with our new colleagues in Excel”, says HEXPOL’s CEO Georg Brunstam.

Excel Polymers will be fully owned by HEXPOL and will be integrated and consolidated into HEXPOL’s business area HEXPOL Compounding as of November 30.

As previously communicated, HEXPOL plans to pursue a rights issue corresponding to approximately 550 MSEK as part of financing the acquisition of Excel Polymers. See the press release on October 18, 2010 for further information.

The acquisition price amounts to 213.7 MUSD on a cash and debt free basis. Purchase Price Allocations will be communicated as soon as the opening balance sheet is established.

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HEXPOL is a world-leading polymer materials group with strong global positions in advanced polymer compounds (Compounding), gaskets for plate heat exchangers (Gaskets) and wheels made of plastic and rubber materials for truck and castor wheel applications (Wheels). Customers are primarily OEM manufacturers of plate heat exchangers and trucks, global systems suppliers to the automotive industry as well as medical device industry. The Group is organised in two business areas, HEXPOL Compounding and HEXPOL Engineered Products. The HEXPOL Group had, before the acquisition of Excel Polymers, about 2,300 employees in nine countries and rolling twelve monthly sales of approximately 3,400 MSEK. Read more at www.hexpol.com.

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