



PRESS RELEASE

ITALMATCH CHEMICALS Group acquires DETREX CORPORATION, a leading American company of high performance specialty chemicals for the industrial lubricant markets.

This acquisition further strengthens Italmatch Chemicals Group's presence on the American continent and allows the expansion of the current product line in the lubricant additive segment thanks to Detrex subsidiary: The Elco Corporation.

Genoa – 11 December 2017 – Italmatch Chemicals, a Global Specialty Chemical Group with leadership in the production and marketing of performance additives for industrial lubricants, water & process treatment, oil & gas, and plastics, has acquired Detrex Corporation, an American company headquartered in Cleveland (Ohio) and specialized, through its subsidiary The Elco Corporation, in the production of high performance lubricant additives, for industrial applications and high purity hydrochloric acid.

The acquisition is consistent with the internationalization process undertaken by the Group in the last years, with a particular focus on the American market, and confirms the aim of expanding and broadening current production portfolio. Indeed the transaction follows the recent acquisition of Sudamfos do Brasil, a leading Brazilian distribution company, specialized in marketing of phosphonates, phosphates and other special chemical products and approximately one year after the acquisition of Compass Chemical International, a chemical company independent of North America, leader in the production and marketing of special additives for water and oil & gas treatment.

Sergio Iorio, CEO of Italmatch Chemicals Group, stated: "We are excited about this acquisition because we have known Elco, its products and Management Team for many years. Elco will bring highly complementary products & geo coverage, commercial and industrial synergies, as Italmatch is focused on EMEA/AP 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."

Thomas E. Mark, President and CEO of Detrex Corporation, stated: "The acquisition by Italmatch Chemicals represents for Detrex-Elco a great opportunity to be an essential part of an exemplary business model in the field of specialty chemicals. Elco and Italmatch Chemicals have the same high standards of production and have a very similar mission and overall corporate culture."

Maurizio Turci, CFO, Corporate Affairs and HR Director of Italmatch Chemicals Group said: "We are very satisfied with the outcome of the Merger Agreement and also with the support received from leading international banking and financial institutions in finalizing the transaction. This operation allows us to continue the growth undertaken in the last years, with a consequent and significant increase in the Group's overall turnover and operating margin."

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 350 million Euros in revenues and operates through six manufacturing plants in Europe (Italy, Spain, Germany and UK), two in Asia Pacific (China and Japan), two in North America (USA) and sales/distribution subsidiaries in Brasil, Belgium, China, Japan, India, Poland, Singapore and the USA. It employs over 500 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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