

Perstorp sells Vyncolit

Sydsvenska Kemi AB (SSK), the parent company of the Perstorp Group, controlled by the Industri Kapital 2000 Fund, today announces the sale of Vyncolit NV and Vyncolit North America Inc (Vyncolit), to Sumitomo Bakelite Co. Ltd (Sumitomo Bakelite) for a cash sum of SEK 856 million. The divestment is in line with Perstorp's strategy to focus on its core business, specialty chemicals.

Vyncolit is active within moldable composites and provides its products mainly to the automotive and electrical industries. The business, which has facilities in Ghent (Belgium) and Manchester (Connecticut, USA), has a turnover of approximately SEK 670 million and employs approximately 300 people. The combination of Vyncolit with Sumitomo Bakelite's existing activities in this area will create a truly global player in the broad sector of value-added plastics. Vyncolit's development since Industri Kapital's acquisition of Perstorp has been considerable. The business has been able to leverage Perstorp's longstanding experience and know-how within specialty chemicals in order to develop new applications and products. The successful broadening of application areas has increased Vyncolit's co-operation with important customer groups such as the automotive industry – a cooperation which was further strengthened through the acquisition of the moldable composite activities of Rogers Corporation in 2002, enabling Vyncolit to gain a foothold in North America.

The sale of Vyncolit to Sumitomo Bakelite has enabled Perstorp to realise excellent value for the business and demonstrates Perstorp's strong track record of creating value in its individual business activities. The sale is also a natural step in our strategy of focusing on our core activity, specialty chemicals. The transaction provides Vyncolit and its employees with an opportunity to develop within a broader based plastics manufacturer.