

# Perstorp sells YLA Inc to TenCate Advanced Composites

**Leading niche specialty chemicals company Perstorp today announces that it has entered into an agreement to sell YLA Inc and its subsidiary CCS Composites LLC (together "YLA"), to TenCate Advanced Composites USA Inc ("TenCate"). The divestment is in line with Perstorp's strategy to focus on and expand its core specialty chemicals business.**

"The sale of YLA to TenCate enables Perstorp to focus management time and capital to our core business, specialty chemicals, and is an important step in our strategy. The transaction provides YLA and its employees with an opportunity to develop within a broader based advanced composites manufacturer", comments Perstorp President and CEO Bo Dankis.

According to Jorg Huber, President and CEO of TenCate Advanced Composites USA, "The acquisition of YLA and CCS strengthens TenCate's growing market position within the aerospace market and further establishes TenCate as a world leader in advanced composite materials. We see strong synergies between TenCate and YLA and CCS, based on our joint product, market (qualifications) and technological capabilities and feel this acquisition will positively benefit TenCate's vision for excellence in composite materials".

YLA is involved in the development and manufacture of lightweight high performance advanced thermoset composites together with the design and fabrication of component parts using advanced composite materials. The business is based in Benicia, Solano County, California, USA, has a turnover of approximately US \$ 24million and employs 65 people. The acquisition price is US \$ 32 million.

The sale is conditional upon US Government approval. Millington Advisory Partners acted as exclusive financial advisor to Perstorp in relation to the transaction.

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## Perstorp AB

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*The Perstorp Group is the world leader in several sectors of the specialty chemicals market for a wide variety of industries and applications. Our products are used in the aerospace, marine, coatings, chemicals, plastics, engineering and construction industries. They can also be found in automotive, agricultural feed, food, packaging, textile, paper and electronics applications. Perstorp has approximately 1,900 employees and manufacturing units in eleven countries in Asia, Europe, North and South America. Sales for the past twelve months amounted to more than SEK 9 billion. By the end of 2005 the Perstorp Groups was acquired by Perstorp Holding AB, controlled by the French private equity company PAI partners.*