



Press release, Malmö, Sweden, August 1, 2014

## **HEXPOLs acquisition of Kardoes Rubber, a well-known U.S. Rubber Compounder, is completed.**

HEXPOL has acquired the business of Kardoes Rubber Co. from the founder Mr. Frank Kardoes and his family. Frank Kardoes started Kardoes Rubber in 1988 and Kardoes is today a well-known Rubber Compounder in the US market.

*"The acquisition is a very good complement to HEXPOL Compounding in the US and broadens and strengthens our presence with Rubber Compounds into end user markets like industrial materials handling, agriculture equipment and off the road tires. Kardoes Rubber expands our capabilities and capacities to serve our customers in a more efficient way."*

Tracy Garrison, President and CEO HEXPOL Compounding NAFTA

Kardoes Rubber, with a manufacturing facility in LaFayette, Alabama, US, had a turnover of 43 MUSD in 2013 and has around 90 employees.

The acquired business has an EBITDA margin below the HEXPOL Group and is expected to give a minor positive impact on earnings per share from start.

*"This is a further step in expanding and strengthening the HEXPOL Group with a further acquisition within our core business. Kardoes Rubber, with its competence and capabilities, will fit nicely into the HEXPOL Group."*

Georg Brunstam, CEO HEXPOL Group

The acquisition price amounted to 31.8 MUSD on a cash and debt free basis and has been funded by a combination of cash and existing bank facilities. The business will be consolidated from August 2014.

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*HEXPOL is a world-leading polymers group with strong global positions in advanced rubber compounds (Compounding), gaskets for plate heat exchangers (Gasket), and plastic and rubber materials for truck and castor wheel applications (Wheels). Customers are primarily OEM manufacturers of plate heat exchangers and trucks, systems suppliers to the global automotive and engineering industries, the energy sector and medical equipment manufacturers. The Group is organised in two business areas, HEXPOL Compounding and HEXPOL Engineered Products. The HEXPOL Group's sales in 2013 amounted to 8,036 MSEK. The HEXPOL Group has approximately 3,500 employees in ten countries. Further information is available at [www.hexpol.com](http://www.hexpol.com).*

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