



Press release, Malmö, Sweden, December 22, 2014

HEXPOL acquires RheTech, a well-known Thermoplastic Compounder in the US market

HEXPOL has signed an agreement to acquire RheTech Thermoplastic Compounding from the founders' families. RheTech has close to 50 years' experience of polymer compounding and is a leading provider of polyolefin compounds, engineered resins and multifunctional colorant and additives.

"The acquisition expands HEXPOL Compounding NAFTA's capabilities and capacities within Polymer Compounding and is a very good complement to our present Polymer Compounding business."

Tracy Garrison, President and CEO HEXPOL Compounding NAFTA

RheTech Thermoplastic Compounding have four facilities (including manufacturing and laboratories) located in Whitmore Lake, MI (RheTech), Fowlerville, MI (RheTech), Sandusky, OH (RheTech Color) and in Blacksburg, SC (RheTech Engineered Plastics). RheTech had a turnover of 117 MUSD in 2013 and has around 212 employees. The acquired business has an EBITDA margin well below the HEXPOL Group and is expected to have a positive impact on earnings per share from start.

"This is a further step in expanding and strengthening the HEXPOL Group with another acquisition within our core business. RheTech, with its competence and capabilities, will fit nicely into the HEXPOL Group and broadens our product range within Polymer Compounding."

Georg Brunstam, CEO HEXPOL Group

The acquisition price amounts to approximately 112 MUSD on a cash and debt free basis and is funded by a combination of cash and existing bank facilities. The acquisition price will be paid upon completion of the acquisition which is estimated to take place in the beginning of 2015 after regulatory approvals.

For further information, please contact:

Georg Brunstam
President and CEO
+46 (0)708 55 12 51

Karin Gunnarsson
CFO/IR
+46 (0)705 55 47 32

Tracy Garrison
President and CEO HEXPOL Compounding NAFTA
+1 615 708 7855

HEXPOL is a world-leading polymers group with strong global positions in advanced polymer 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 3,800 employees in eleven countries. Further information is available at www.hexpol.com.

This press release consists of such information that HEXPOL AB (publ.) may be obliged to disclose in accordance with the Swedish Securities Market Act and/or the Financial Instruments Trading Act. The information was submitted for publication on December 22, 2014.