

DORF KETAL ACQUIRES DUPONT CHEMICALS AND FLUOROPRODUCTS SPECIALITY CATALYSTS BUSINESS

Dorf Ketal Chemicals (India) Pvt. Ltd. (Dorf Ketal), a leading specialty chemicals company headquartered in Mumbai, has acquired the Specialty Catalysts business (comprising organometallic titanates, zirconates and specialty additives) of DuPont Chemicals and Fluoroproducts (*the industry pioneer and world leader in the business of Organometallic Titanates*) through a new LLC company in the USA with immediate effect. This acquisition includes Tyzor® titanates & zirconates and Avitex® hydrocarbon surfactants and antistatic agents used in a broad range of specialty markets and applications. Terms of the agreement are confidential and not being disclosed. Complemented with its earlier acquisition of organometallic titanates, blocked poly isocyanates and polyvinyl formals from an Indian business group earlier in May 2009, Dorf Ketal has become the global leader in these product areas. Ernst & Young India, which has successfully advised Dorf Ketal on its earlier acquisitions during last few years, acted as the exclusive Financial Advisor on this deal.

The acquisition will provide Dorf Ketal with several product innovations and technological developments pioneered by DuPont in the business since 1960's. The Tyzor® range of organic titanates and zirconates are used as catalysts for chemical manufacture; as curing and cross-linking agents for coatings, paints and adhesives; and as surface modifiers to improve the properties of electronics, glass, plastics, metals and nanocomposite materials. Important end-use segments include printing inks, corrosion inhibitors, paints and coatings, silicone sealants and plasticizers. The Business has used proprietary processes and technology to develop innovative catalyst solution for several challenging areas such as Sealants (elimination of tin from sealants for automotive and construction applications), Emissions control (to meet stricter air pollution regulations), Polyester catalysis (Consumer preferences and environmental stewardship are favoring antimony-free polyester bottles and food packaging grade film). The Business which generated revenue of around USD 50 mn in 2008, is expected to grow at a fast pace aided by the new product developments in the pipeline.

As a part of the deal, Dorf Ketal acquires DuPont assets associated with the Specialty Catalysts Business including trademarks, sales, marketing and customer service. Dorf Ketal will continue the emphasis of strong Research and Development which has been a key focal area for the business.

To assist with an orderly customer transition, a business transition team has been formed. DuPont will continue to manufacture and supply Specialty Catalyst products to Dorf Ketal for approximately one year under service and supply agreements. During this time, Dorf Ketal will source and supply products made by DuPont while building a new plant. DuPont is also assisting Dorf Ketal with the technology transfer and start-up of new facilities.

The transition will be implemented in stages while ensuring business continuity for all customers. This transaction underscores Dorf Ketal's commitment to growth and deliver world-class Products, Services and enhanced value to customers on a consistent basis. The integration will

be seamless, providing customers the ability to leverage Dorf Ketal's world-class Products, Service and Technology. Dorf Ketal is a leading global player in process chemicals and additives for refineries, petrochemicals, fuels, plastics, lubricants and oilfield industries with consolidated revenues of around USD 220 million. This acquisition clubbed with the high organic growth rate, Dorf Ketal expects to achieve revenues of over USD 300 million next year. Dorf Ketal is already the largest refinery chemicals player in India and is now also the largest player in the organo-metallic titanates space globally. Dorf Ketal has subsidiaries in USA, Brazil, the Netherlands and representative offices in China and Bahrain. The strong focus on research and manufacturing excellence has helped the company to successfully acquire and integrate three acquired product lines including UOP's plastics additives business in 2003 and ExxonMobil's component additive business in 2007 into its product offerings.

Commenting on the acquisition of the business, Mr. Sudhir Menon, Chairman & Managing Director, Dorf Ketal said, "The acquisition of DuPont's specialty catalysts business is a well thought plan to consolidate our position in newer product segments such as specialty catalysts. Besides, DuPont's R&D focus and value added product portfolio including secondary titanates and zirconates will further complement and strengthen the capabilities of Dorf Ketal and help us in consolidating our position as a leading global specialty chemical player. I am happy that we have been able to complete this acquisition in a short time frame of 6 months despite difficult market conditions. In the pipeline are more such strategic acquisitions in the \$100 - \$200 Million range, we expect to close these in the current year and I am confident that our strong cash flows and under leveraged balance sheet will help us in closing such acquisitions with speed".

Commenting on the acquisition, Mr. Subodh Menon, Founder/Director- Business and Operations , Dorf Ketal said, "The acquisition of DuPont specialty catalysts business will consolidate our position as a global leader in the business of specialty Catalysts. We are embarking on an ambitious project and a world class manufacturing facility to cater to these newer product lines is being planned at a new plant site in India. Dorf Ketal is focused on growth and the group aims to achieve a turnover exceeding \$800 Million in the next few years. Dorf Ketal will make significant investments into new economy start ups involved in renewable energy, green chemistries, nano technologies with long product life cycles. There is significant accumulated knowledge in-house to spearhead this effort" commented Mr. Menon

About E.I. du Pont de Nemours and Company:

DuPont is a science-based products and services company. Founded in 1802, DuPont puts science to work by creating sustainable solutions essential to a better, safer, healthier life for people everywhere. Operating in more than 70 countries, DuPont offers a wide range of innovative products and services for markets including agriculture and food; building and construction; communications; and transportation.