

TROSIFOL now belongs to the Kuraray Group
New opportunities and prospects for the high-performance PVB producer from Germany

Last Friday, Rütgers AG, the Essen-based wholly owned subsidiary of the energy and chemicals group RAG Aktiengesellschaft, and the German Kuraray Specialities Europe GmbH (KSE, formerly Clariant), a company belong to the internationally operating and listed Kuraray Co. Ltd., signed an agreement for the sale of the TROSIFOL activities of HT TROPLAST AG, Troisdorf. The parties agreed to remain silent over the purchase price. The sale is subject to approval by the relevant cartel authority and will probably be finalized at the end of 2004.

KSE is the world's leading producer of polyvinyl alcohols, one of the initial products for polyvinyl butyral resins, the second large business sector and raw material for TROSIFOL PVB film. KSE has enjoyed good relations with TROSIFOL for decades as a supplier of this resin.

The Kuraray Group has a workforce of about 7,000 employees worldwide, mainly at production locations in Japan, Singapore and Europe. Last year, the Kuraray Group achieved total sales of about US \$ 3.1 billion.

By tightening its network of research and development within this new, extended value-added chain from the raw material to the end product, Kuraray anticipates major synergies in the optimization of existing products and the development of new ones. Even more important, however, is the strengthening of its market presence on the European market.

Kuraray's Japanese business strategy is built on the pillars of "long-term growth" and the expansion of "profitable business sectors". "Research and development" is another focus of the assertive and forward-looking approach of this successful Group domiciled in

Tokio, Japan. In its global strategy, it aims to expand foreign business outside Japan, with its main activities concentrated on the target markets of Europe, the USA and Asia. For instance, KSE's production capacity of polyvinyl alcohol at its Frankfurt site is being increased from its current roughly 50,000 metric tons by a further 20,000 tons in the coming year.

For this reason, it is being stressed – particularly with the TROSIFOL workforce in Troisdorf in mind – that the emphasis after the acquisition will not be on restructuring. In fact, the existing TROSIFOL sites, and particularly production in Troisdorf and Nizhny Novgorod, Russia, will be strengthened and expanded. There is also a commitment to the further training of young people. Dr. Gerd Lepper, President of Kuraray Specialities Europe GmbH, comments: "HT TROPLAST AG's TROSIFOL business is an outstanding investment for us, enabling us to extend our value-added chain. We want to expand this business in the medium term, and the good, longstanding relations between our companies (KSE and TROSIFOL) will be very useful in this."

For President Yasuaki Wakui of Group Management in Japan, the TROSIFOL acquisition is another step towards globalization and the strategic reinforcement of activities in Europe.

Karl-Heinz Spiess, TROSIFOL Product Manager, is also optimistic: "With its commitment to long-term growth, the Kuraray Group is supporting our efforts in the marketplace. TROSIFOL clearly belongs to the Group's core business."

The background to TROSIFOL

The raw material for all TROSIFOL films is polyvinyl butyral (PVB). PVB has been in use as an interlayer in laminated safety glass since the middle of the Thirties. With added plasticizers, PVB – a resin in powder form – becomes sufficiently elastic for use as a safety glass film. The experience gained from the processing of this raw material since 1953 is one of the main reasons for the technical sophistication of TROSIFOL today. Thanks to ongoing research and development, TROSIFOL has become one of Europe's leading manufacturer of films for structural glazing. Today TROSIFOL operates a worldwide distribution network comprising several subsidiaries, agents and warehouse sites, and markets its products

in over 75 countries. Production is carried out at the parent plant in Troisdorf near Cologne, Germany, and in Nizhny Novgorod, Russia. TROSIFOL is certified to ISO/TS 16949 and DIN EN ISO 9001:2000. The brand is now also making a big impression on the automotive OEM market.

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