

Member News

INDORAMA VENTURES ACQUIRES DUPONT TEIJIN FILMS

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Indorama Ventures Public Company Limited (IVL), a global chemical producer, has announced that it has entered into an agreement to acquire DuPont Teijin Films (DTF), a leading global producer of Biaxially-oriented Polyethylene Terephthalate (BOPET) and Polyethylene Naphthalate (PEN) films with total film/polymer capacity of 277,000 tonnes per annum. The DTF acquisition includes 8 production assets in the US, Europe and China, with a global innovation centre in the UK. The transaction is expected to be completed during late 2017 or early 2018, subject to the usual regulatory approvals.

DuPont Teijin Films (DTF), a joint venture between DuPont and Teijin Limited, is the world's premier producer of BOPET and PEN polyester high value-added film with unique functionalities. The group specializes in film products for the speciality, industrial, packaging, automotive, advanced magnetic media, photosystems, electrical and electronics markets and many more products that are essential to modern life. DTF is recognized for their market leadership and product innovation and is constantly inventing and developing new uses for their products.

Included in the transaction are manufacturing and R&D operations associated with four joint ventures in the United States, United Kingdom, Luxembourg, and Hong Kong (DTFC), which includes two JVs in China (51%), as well as sales and technical capabilities, intellectual property, licenses and the Melinex® and Mylar® registered brands.

The global BOPET film industry has expanded rapidly and there are increasing applications and end-users. The global consumption of BOPET is expected to increase at an average rate of about 7% CAGR per annum making the acquisition attractive. Critical success factors are customer intimacy, product innovation and R&D capabilities, which align well with DTF's core competencies. Through the acquisition, IVL will further enhance PET integration and value-enhancement through captive NDC, a speciality chemical

used in high-performance polymers and films. IVL is the world's only commercial manufacturer of NDC.

Commenting on the acquisition, Mr Alope Lohia, Group CEO of Indorama Ventures, said, *"This acquisition marks a new chapter for IVL. It is the next step in creating a leading position for customer solutions in films. DTF provides prudent growth in an industry related to our core businesses and is a strong foundation for future growth. DTF has a strong history of R&D with over 700 patents, which makes it a strategic fit with our own innovation capabilities."* *"We believe in diversity as a core value of the Company and we look forward to welcoming DTF's strong management team and talented employees into our family."*

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