

Press release

investor relations

TenCate Advanced Composites USA acquires YLA & CCS Composites from Perstorp Holdings AB

TenCate Advanced Composites USA, Inc (Morgan Hill, CA), a subsidiary of the NYSE Euronext listed Royal Ten Cate, has signed a definitive stock purchase agreement to buy all the shares of YLA, Inc and CCS Composites, Inc (both of Benicia, CA). Both companies were owned by Perstorp Holdings AB. The deal to purchase the collective companies is expected to close no later than the end of February 2008 and is subject to US Government approval.

YLA is a manufacturer of high quality thermosetting advanced composite materials. YLA is heavily focused on supplying the satellite & communications, aircraft, military, high temperature and energy markets. CCS Composites is a manufacturer of aerospace grade compression molded composite components used in commercial and military aircraft, satellite, oil & gas and industrial applications.

According to Jorg Huber, President & CEO of TenCate Advanced Composites USA, 'The acquisition of YLA/CCS strengthens TenCate's growing market position within the aerospace market and further establishes TenCate as a world leader in advanced composite materials. We see strong synergies between TenCate and YLA/CCS, based on our joint product, market (qualifications) and technological capabilities and feel this acquisition will positively benefit TenCate's vision for excellence in composite materials'.

TenCate Advanced Composites USA is part of TenCate's aerospace & armor composites group, is a leader in the market for aerospace grade thermosetting composite materials, Cetex® and Cetex Thermolite® thermoplastic matrix composite materials, and advanced antiballistic personal and vehicle protection which is utilized for military and law enforcement applications. TenCate's strategic acquisition of Phoenixx TPC (Thermoplastic Unidirectional Composites), Composix Co (Armor Systems) and now YLA/CCS (Thermosetting Composite Materials and Compression Molded Parts) within the last 6 months have strengthened the company's technological and competitive position in our focus markets. The execution of our buy & build strategy leads to an increasing importance of the composite activities within the corporate product portfolio.

Financial information

YLA and CCS Composites collectively had 2007 sales in excess of \$ 23 million. Both companies will have an immediate positive contribution to TenCate's operating result. The acquisition price is approximately \$ 32 million. TenCate will finance the transaction from its existing credit facilities.

Royal Ten Cate
Almelo, 22 January 2008

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