

## Press release

IR &amp; corporate communication

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### TenCate acquires Danish company in vehicle armouring

TenCate has reached agreement about the takeover of Roshield ([www.roshield.dk](http://www.roshield.dk)), a leading company on the European market for vehicle armouring and personal protection. The company is located in Denmark and has been the property of private shareholders and its management since July 2005. Although Roshield was divested a relatively short time ago, the company possesses a long knowledge history. Roshield has experienced vigorous technological development, as a result of which specialist skills have been developed in the field of ballistic protection. The company is active on the European market and in Asia and is involved in major projects.

This acquisition will make a considerable, positive contribution to the earnings performance of the TenCate Aerospace & Armour Composites Group.

#### ***Vehicle armouring an attractive growth market***

For TenCate the market for ballistic vehicle protection (cars, trucks, aircraft and ships) is an attractive growth market, in view of the increasing degree of protection of various types of army vehicles and the planned modernization programmes. Modern armouring is weight saving and must be able to withstand different levels of threat. Vehicle protection involves customization, because a complexity of factors must be taken into account. Project management is one of Roshield's strengths.

#### ***Market leader in armouring and personal protection***

Roshield will form part of the TenCate Aerospace & Armour Composites group, which will thus strengthen its leading position on the European market for personal protection and vehicle armouring. TenCate will gain synergetic effects through the combination of technological knowledge and the distribution organization of the two companies.

Roshield's activities fit in well with TenCate's knowledge of materials, technology and network in this specialist market. There is no overlap with TenCate in the geographical turnover spread, so they are to a large extent complementary. There has been commercial cooperation between the two companies in the provision of solutions for ballistic protection for some time. Their international market position will be further developed jointly.

***Roshield***

Roshield supplies products that are ready to be installed in vehicles. The company also has the potential for prototyping and possesses a strong design and engineering capacity. The largest part of Roshield's sales are generated in the vehicle protection sector.

The company has achieved sales of approx. € 14 million in 2006. Roshield's operating result (EBIT) will make a substantial contribution year-on-year to the operating result of the Advanced Textiles & Composites sector.

The acquisition price amounts to €34.7 million and will be paid from TenCate's liquid funds. Strong profitability and growth potential form an important cornerstone of the valuation. No further financial details will be announced.

The transaction is expected to be completed in the course of February 2007, after formal approval from the Danish Ministry of Justice.

Almelo, December 7, 2006

**Royal Ten Cate**

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