

Press release

1 October

J.W. Ostendorf officially part of the Hempel Group

With immediate effect German paint manufacturer J.W. Ostendorf (JWO) including Renaulac (France) and FLT Handel & Service forms part of Danish Hempel.

On 29 May, Hempel A/S signed an agreement to acquire 65 per cent of one of the leading manufacturers of decorative paint in Germany, J.W. Ostendorf.

Hempel recently received the UK authority's formal approval and has closed the deal on 27 September 2018. The joint venture is now official.

The closing of the deal means that Decorative Europe now becomes reality as a new region in Hempel. UK based Crown Paints – also part of the Hempel Group – and JWO join forces in this unique cooperation of which the purpose is to ensure Hempel's growth both in the European and the global decorative market.

Henrik Andersen, Group President & CEO of Hempel, says: "Decorative Europe will be able to present new and exciting value propositions to both existing and new customers. Now, we've several routes to the brand and private labelling markets. We're unique in terms of our knowledge, competencies and our experiences. I'm convinced that we'll create the foundation for a bright future. In the long run, we'll be able to drive the consolidation of the decorative paint market globally."

One of the things that brought Hempel and JWO together is the shared passion for paint and serving customers.

"We're nothing without our customers, and we must be everything to our customers. It means a lot to me that our existing and new customers will see us as their closest partner. Having JWO as part of the Hempel Group we're one step closer to reaching this goal," Henrik Andersen continues.

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For more information, please contact

Malte Eggers, Group Branding & Communications Director

Tel.: +45 20 97 58 09

Email: Communications@hempel.com

For facts, see below.

Facts about Hempel

- Hempel is a world leading coatings supplier for the Decorative, Protective, Marine, Container and Yacht markets and has been in the market for more than 100 years.
- Today, Hempel employs 6,700 people in more than 80 countries and has over 150 stock points, 26 factories and 15 R&D centres strategically located around the world to serve the global customers.
- Hempel's vision is to grow faster than the market by being customer-centric, achieving higher profitability through operational excellence. Hempel wants to grow at least 2 per cent faster than the market:
 - By acquisitions, e.g. in the Decorative market
 - By organic growth, e.g. in line with the market segments in which we operate
- Hempel has in recent years grown rapidly through acquisitions of many great brands such as Jones Blair in the US, Schaeppman in the Netherlands and Crown Paints in the UK.
- Hempel has been in the Decorative market for decades and holds a strong position in the UK, the Middle East and Iberian Peninsula.
- In 2017, Hempel focused successfully on optimising and investing in its functions, processes and leadership in order to continue the transformation of Hempel into a leading global coatings company and to accelerate the execution of its *Journey to Excellence* strategy
- Hempel key figures 2017
 - Revenue: EUR 1.4 billion
 - EBITDA: EUR 171 million
 - Operating profit: EUR 115 million
 - Net profit: EUR 55 million

For more information about Hempel, visit hempel.com

Facts about J. W. Ostendorf

- J.W. Ostendorf is a European paint manufacturer successfully delivering paint for protection and beautification of houses, homes and gardens.
- J.W. Ostendorf was founded in North Reine Westphalia in 1948. Since then, the family-owned company has grown steadily.
- Today, J.W. Ostendorf enjoys a unique position in the market as the only private label specialist in Europe for a list of key retailers, including all of the leading DIY chains.
- With 750 employees and a production capacity of 500 million litres annually, J.W. Ostendorf delivers products to 20 European countries and five non-European countries.
- J.W. Ostendorf also services the decorative market with its own brands, e.g. colourcourage, Signeo and Vectra.
- The production is highly automated, environmentally friendly and there is a constant focus on hygiene. J.W. Ostendorf is certified by LGA (hygiene standard of the food industry)
- J.W. Ostendorf is the owner of the well-known French paint manufacturer, Renaulac, which produces decorative coatings in Cestas, Bordeaux.
- J.W. Ostendorf has received awards for its focus on the environment and its initiatives regarding the health of its employees.
- Ranked 34th of the 50 most innovative members of the German Mittelstand (Wirtschaftswoche)
- For more information on J.W. Ostendorf, visit www.jwo.com

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