

Mülheim an der Ruhr, August 17, 2011

## **Brenntag closes acquisition of first tranche of Zhong Yung (International) Chemical Ltd.**

**Today Brenntag, global market leader in chemical distribution, closed the acquisition of the first 51% of Zhong Yung (International) Chemical Ltd., a chemical distributor focused on the distribution of solvents with an established commercial and logistical infrastructure in the key economic regions in China. Thereby Brenntag gains market access to China, the world's fastest-growing chemical market. Brenntag acquires over EUR 200 million of sales expected for 2011. Having signed the purchase agreement on June 09, 2011, the transaction has formally been closed within 10 weeks. The acquisition will be executed in two steps. Acquisition of the remaining stake is scheduled for 2016.**

With this strategically important transaction Brenntag strengthens its growth strategy in the Asia-Pacific region. Brenntag thereby demonstrates full commitment to build a solid distribution network in China. Zhong Yung is a major chemical solvent distributor with about 2,000 customers, more than 100 suppliers and an excellent infrastructure including laboratories, blending and storage capabilities.

Zhong Yung serves all major solvents-applied industries such as paint and coatings, adhesives, printing inks, electronics and automotives with a large variety of solvent products. The company has a strong market position supported by its own high standard storage and blending facilities, empowering distribution value added services to its business partners in China. The bundling of distribution know-how and joint market penetration by Brenntag and Zhong Yung will open up further growth opportunities on the Chinese market.

Steven Holland, Brenntag CEO: "We intend to use the strong national sales organization covering North, East and South of China to expand the product lines we distribute. We are now the only global chemical distributor who can offer its customers and suppliers an established network in all major economies of Asia Pacific. This will open up opportunities for organic growth.

We are continuing to look for further acquisition opportunities to support our growth in Asia Pacific.”

Fernando Ramirez, Brenntag China Managing Director, says about the target selection process: “The decision of acquiring Zhong Yung was part of a structured and time consuming process that took us around four years. Brenntag understands the strategic importance of having a solid partner in such a challenging environment. We are fundamentally convinced that Zhong Yung represents the best acquisition opportunity a global chemical distributor can have in China.”

For additional information on this transaction, please refer to [www.brenntag.com](http://www.brenntag.com).

#### **About Brenntag:**

Brenntag is the global market leader in full-line chemical distribution. Linking chemical manufacturers and chemical users, Brenntag provides business-to-business distribution solutions for industrial and specialty chemicals globally. With over 10,000 products and a world-class supplier base, Brenntag offers one-stop-shop solutions to about 160,000 customers. The value-added services include just-in-time delivery, product mixing, formulation, repackaging, inventory management, drum return handling as well as extensive technical support. Headquartered in Mülheim an der Ruhr, Germany, the company operates a global network with more than 400 locations in nearly 70 countries. In 2010 the company realized global sales of EUR 7.6 billion (USD 10.1 billion) with more than 12,000 employees.

This news release may contain forward-looking statements based on current assumptions and forecasts made by Brenntag AG and other information currently available to the company. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. Brenntag AG does not intend, and

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