



umeco

Umeco plc
Concorde House
24 Warwick New Road, Leamington Spa
Warwickshire CV32 5JG
United Kingdom

Tel +44 (0) 1926 331800
Fax +44(0) 1926 312680
www.umeco.com

Press Release

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Acquisition of Industria Plastica Monregalese (“IPM”) for up to €30.0m

Creates platform for global supply of composite curing materials to the high growth wind energy market

Umeco plc (“Umeco”), an international provider of supply chain and advanced composite materials primarily to the aerospace & defence industries, announces the acquisition of Industria Plastica Monregalese (“IPM”) from its private shareholders for a consideration of €16.8 million. IPM is a leading manufacturer and supplier of vacuum bagging films for the composites industry and other markets. The consideration will be funded from existing facilities. IPM had net debt of €13.0 million as at 30 November 2008, which it is currently anticipated will remain in place.

Consideration of €12.8 million will be payable on completion, with €4.0 million being held in escrow pending any warranty claims.

In the year to 31 December 2007, Italian-based IPM reported revenues of €24.3 million, EBITDA of €2.4 million, and PBT of €0.5 million. At 31 December 2007 it had gross assets of €17.6 million.

Umeco Composites is, through its Process Materials group, the world’s leading supplier of composite curing materials to the rapidly growing wind energy market. Vacuum bagging films are used in the process of manufacturing large-scale wind turbine blades and IPM is a key strategic supplier to Umeco Composites of this material.

The acquisition of IPM provides Umeco Composites with a secure supply of a key process material, and with the opportunity to develop a wider global presence in the wind energy market. This will be achieved in a two step approach. The first will be to increase production capacity at the IPM facility in Italy to ensure that the growing demands of our customers can be fulfilled. The second will be to expand production into other regions of the world where our customers’ needs for these products continue to grow. This will establish Umeco Composites as a global manufacturer of these key process materials.

The IPM business will report to Tim Cooper, Managing Director of Umeco Composites’ Process Materials group which also comprises Aerovac Systems and Richmond Aircraft Products.

The acquisition of IPM represents an important strategic step which will both secure and enhance Umeco Composites’ leading position in one of its highest growth markets. The global installed wind power capacity is expected to more than triple between now and 2012, from 94.1 GW to 335 GW (*source: WWEA*).

Clive Snowdon, Chief Executive of Umeco, said:

“The acquisition of IPM is a key element of our strategy to maintain and develop our high global market share in composite curing materials for the wind energy market.

“Using IPM’s vacuum bagging film, we have captured a significant share of this market. However, wind energy currently accounts for just 6% of Group sales and the scope for growth is very exciting. Not only does IPM secure a strategic important source of material supply, but it also provides us with the technology platform to establish the necessary local presence in other key markets.

“The further growth of our Composites activities, which is focused on the aerospace, wind energy and automotive markets, is a core element of our Group strategy. Following our investment of some £33m in the acquisitions of JD Lincoln and Primco over the past two years, today’s development represents a further important step forward.”

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Umeco plc (www.umeco.com)
Clive Snowdon, Chief Executive

Tel: +44 (0) 1926 331 800

Hogarth Partnership
John Olsen / Barnaby Fry / Vicky Watkins

Tel: +44 (0) 20 7357 9477

Further Information on Umeco plc

Umeco is a leading innovator in distribution and supply chain management to the aerospace and defence industries, harnessing new methods for enhancing its customers’ performance and profitability.

Umeco also has significant manufacturing interests in advanced composite materials for a growing range of applications in its core aerospace and defence markets and in other high performance technology industries such as motor sport, automotive and wind energy.

Listed on the London Stock Exchange, Umeco had revenues of £335.2 million in the year to 31 March 2008.

Umeco is managed through two divisions:-

Umeco Composites - a provider of a complete range of advanced composite materials principally to the aerospace, motor sport, automotive and wind energy markets.

Customers include Boeing, Airbus, BAE Systems, manufacturers of wind turbines, a number of manufacturers of high performance super cars and Formula 1 teams including Team McLaren Mercedes

Umeco Supply Chain - a leading international provider of value-added distribution and supply chain outsourcing services to customers in the aerospace & defence market. With its specialisation in the supply of small components and sophisticated IT systems, its growing global customer base can enjoy significant operational, cost and working capital benefits.

Customers include Rolls-Royce plc, BAE Systems, Safran Group, Parker Aerospace, Goodrich, Thales, Aerospace, Turbomeca, Lockheed Martin and the US Department of Defense.