



Eynatten, October 12th, 2016

Press release

NMC expands further in Russia

NMC SA, the Eynatten-based international market leader in the development, production and marketing of synthetic foam, has, via its Luxembourg subsidiary, acquired the majority of the shares of the Luxembourg holding company Foaminvest.

Foaminvest is the parent company of two extrusion companies in Russia located in Tver and Krasnodar and supplying the Russian market with polyethylene insulation and packaging products under the name of **Isocom**. In 2015, the two companies generated sales of approximately 6 million Euro and employed more than 200 employees.

NMC (www.nmc.eu) is a company specialised in the extrusion of thermoplastic foam and has a strong international footprint via its 11 production plants and 19 sales offices in Europe. NMC products are used in a wide range of applications, including the insulation of technical equipment, packaging products, and products in the field of sports and leisure activities as well as in interior decorating (mouldings and skirting boards).

In 2015, NMC generated sales of €200 million. A company with 1,220 employees throughout Europe, NMC has been commercially active on the Russian market for more than 20 years and already has its own production plant in Shugarova, a town 100 km south of Moscow, which is specialised in the extrusion of decorative mouldings and baseboards. The plant has about 100 employees.

Through this participation, NMC is expanding its production activities in Russia to polyethylene foam products. The objective of this partnership is to further develop the two production plants at Tver and Krasnodar, to improve production quality and to extend the range of products offered in Russia. For instance, NMC will now be able to offer innovative solutions in the insulation and packaging field to its Russian customers.

For the existing NMC plants, the move has little impact. In fact, due to the distance separating the countries, the high transport costs and Russian import duties, very few NMC polyethylene products get currently exported to Russia.

Hubert Bosten, NMC CEO, commented the acquisition with the following words: "For NMC, the partnership in Foaminvest is a major long-term strategic step. Russia is an important market which cannot be efficiently supplied with polyethylene foam products from either Belgium or Poland." Jürgen Veithen, NMC CFO: "We are relying on the current political tension between the European Union and Russia abating and on the Russian economy recovering." Jean-Marie Ahn, Business Unit Manager NMC adds: "We have held intensive discussions with the management teams and are convinced that NMC can contribute to the positive development of existing activities. We have full confidence in our future collaboration."

We warmly welcome all collaborators of the Isocom companies as part of the enlarged NMC team.

Hubert Bosten
CEO

NMC sa

Gert-Noël-Straße - B-4731 Eynatten - Belgium - Tel.: +32 87 85 85 00 - Fax: +32 87 85 85 11

e-mail: info@nmc.eu - www.nmc.eu

MwSt./TVA/BTW/VAT: BE - 0402 469 826 - RJP/RPM/RPR Eupen