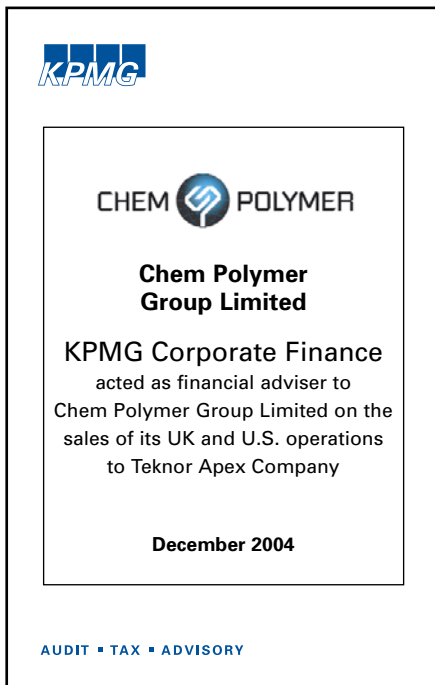


Deal Announcement

KPMG Corporate Finance advised Chem Polymer Group Limited on the sale of its UK and U.S. operations to Teknor Apex Company.



“KPMG Corporate Finance exhibited outstanding negotiating skills and keen insight into the perspective of each of the interested buyers so that we could maximize price and deal terms while still closing the transaction on the targeted time table.”

– **Stuart Smith, Finance Director**
Chem Polymer Group Limited

The Company

Based in the United Kingdom, Chem Polymer Group Limited, has operations in the UK and the U.S. The company is a leading thermoplastics compounding company that produces engineered thermoplastics by blending a base polymer with additives to provide a range of enhanced functional properties to that base polymer. Chem Polymer’s products are sold into many industries, including automotive, electrical, and packaging.

The Situation

KPMG Corporate Finance was engaged to identify and approach buyers for the company’s UK and U.S. businesses, either as individual businesses or a combined package. As such, KPMG Corporate Finance in the United Kingdom and KPMG Corporate Finance in the United States ran two separate sale processes to explore options for the company’s shareholders. We conducted a controlled auction by contacting potential buyers in many parts of the world.

The Transaction

After receiving separate and combined offers for the company’s two businesses, it was determined that a sale of assets of Chem Polymer’s UK operations and a sale of equity of Chem Polymer’s U.S. operations was the best way to maximize value. Consequently, the two businesses were sold to Teknor Apex Company, a U.S.-based privately owned international custom compounder of plastics and rubber materials. KPMG Corporate Finance provided advice to Chem Polymer throughout the entire process, including preparing offering materials, contacting potential buyers, managing meetings and leading negotiations with potential buyers, analyzing the offers received, and working closely with both the company’s UK- and U.S.-based legal counsel on the definitive agreements.

KPMG Corporate Finance: Objectivity. Insight. Experience.

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Trust KPMG Corporate Finance LLC with Your Next Transaction

KPMG Corporate Finance LLC provides a full suite of investment banking and strategic advisory services to its domestic and international clients. Our professionals have the experience and depth of knowledge in global M&A to advise clients on mergers and acquisitions, sales and divestitures, buyouts, financings, restructurings, fairness opinions, and other strategic initiatives. In addition, we remain independent of financing sources, helping to ensure that our efforts are objective and aligned with the goals of KPMG's firms' clients. Operating in 51 countries, KPMG's Corporate Finance practice comprises more than 1,500 professionals, who are able to meet the needs of KPMG's firms' clients across the globe. In 2004, KPMG's Corporate Finance practice was ranked the number one financial adviser for completing the highest number of transactions globally (361 deals totaling US\$18.9 billion) according to Thomson Financial's global M&A league tables.

We welcome the opportunity to meet you, learn more about your company's objectives, and discuss our people and capabilities.

Visit us online at www.kpmgcorporatefinance.com/us.

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