



BDA Advises Apar Industries, India, on the Sale of Its Polymer Division to Eliokem, France

Business Development Asia LLC ("BDA") advised Apar Industries Ltd (Apar), a publicly traded, Indian industrial group, on its agreement with France-based Eliokem International, an AXA Private Equity portfolio company which makes specialty chemicals, for the sale of Apar's polymer business located in Valia (India).

Mumbai, India, November 03, 2007 --(PR.com)-- Business Development Asia LLC ("BDA") is pleased to announce that Apar Industries Ltd (Apar), a diversified, publicly traded, Indian industrial group, has entered into an agreement with France-based Eliokem International, an AXA Private Equity portfolio company which makes specialty chemicals, for the sale of Apar's polymer business located in Valia (India). Eliokem will pay INR1.11bn (US\$28m) to acquire the assets of Apar's polymer division. The transaction is expected to close by 31st December 2007, after obtaining necessary regulatory and shareholder approvals.

BDA acted as exclusive financial advisor to Apar Industries on this transaction. Rohit Singh, Director and Head of BDA's Mumbai office, said "we are pleased to have helped Apar to achieve this successful result. We hold Eliokem in high regard, as an ideal long term owner of this business capable of taking the business to the next level. BDA is proud to be a leading cross-border M&A advisor in the Indian market, with a strong list of blue chip multinational and Indian clients. We conducted the sale process in a fast and efficient manner, leaving all parties involved clearly pleased with the result. BDA's revenues in the Indian market are growing rapidly, as is our team of professional staff, and we are optimistic about the prospects for our business over the coming years."

The Polymer division of Apar was established in 1986, initially to manufacture HSR (high styrene rubber) in Mumbai. In 1989, the polymer division was incorporated as Gujarat Apar Polymers Ltd (GAPL), which was listed on the Bombay Stock Exchange (BSE). In 1992, GAPL expanded into manufacturing NBR at its Valia (Gujarat) plant in technical collaboration with The Goodyear Tire & Rubber Co, USA. The polymer division markets NBR (acrylonitrile butadiene rubber) and HSR under the brand names Aparene® and Powerene®. In 1997, GAPL was merged with specialty oils and conductors division of Apar to form Apar Industries Ltd. In 2006, Apar restructured its polymer division by consolidating the entire operations of the division at Valia and shutting down its Mumbai plant.

Dr. Narendra Desai, Chairman of Apar, hailed the move as synergistic, as it will enable the company to sharpen its focus on its core strengths and offer better shareholder value. "The move is in sync with the growth strategy that the Group has set up for itself. Apar Industries will now concentrate on its core business and area of expertise which will enable the Group to grow faster, as the sale of the division releases substantial resources for allocation into focus areas. These areas include our two divisions, namely specialty oils and overhead transmission line conductors, which account for 90% of the Group's business", said Dr. Desai.

"The integration of Apar's Polymer Division within Eliokem should be facilitated by the long shared



cooperation of both companies in the polymer business based on the emulsion polymerization technology inherited from The Goodyear Tire & Rubber Company to make a variety of specialty resins, rubbers and lattices through combinations of monomers as diverse as acrylics, acrylonitrile, butadiene, styrene, etc. The new efficient manufacturing platform in India will strengthen Eliokem's growth plan both domestically as well as in the rest of the world", stated Jacques Collonge, President & CEO of Eliokem.

This transaction is expected to be in the long term interest of the other stakeholders of the polymer division like employees, customers and other business associates as Eliokem will grow the business through its proprietary value added products.

About Apar Industries

Apar Industries Ltd ("Apar") is a diversified Indian industrial corporation with interests in aluminum conductors (accounting for 45% of sales), specialty oils (accounting of 45% of sales) and polymers (accounting for 10% of sales). It is one of the largest manufacturers of specialty oils and aluminum conductors in India. Apar Industries is publicly traded on the Bombay Stock Exchange and the National Stock Exchange of India, with an annual consolidated revenues of INR15bn (US\$350m) in FY2007.

About Eliokem

Eliokem, formed in 2001 as a result of the spin-off of the specialty chemicals business of The Goodyear Tire & Rubber Company, is a leading specialty chemical group with headquarters in Villejust near Paris (France). The group employs 460 people around the world and owns 3 production facilities located at Le Havre (France), Akron (Ohio, USA) and Ningbo (China), as well as 6 representative offices in Europe, Asia and the Americas, and a network of 75 distributors and agents strategically located around the world. The company's revenues reached €164m (US\$220m) in 2006.

About BDA

Business Development Asia LLC was founded in 1996. BDA assists multinational corporate and financial sector clients to identify and execute acquisitions, divestments, JVs, restructuring and capital raising, in Asia and internationally. The company is headquartered in New York with offices in London, Bahrain, Mumbai, Hong Kong, Shanghai, Seoul, and Tokyo. BDA employs 55 full-time professional staff across its eight offices, supplemented by a team of senior advisors around the world. BDA's client list includes Air Products, Apar Industries, Cadbury Schweppes, Celestica, DIC, Dow Chemical, DuPont, Ecolab, Global Power, Godrej, Great Lakes, Hanjin Shipping, Hercules, Huntsman, Inabata, Johnson Controls, Kimberly-Clark, Lear, Lubrizol, Mars, Molex, Morgan Stanley, Nalco, Parker Hannifin, Reuters, Rohm & Haas, Ryder, Siemens, SigmaKalon, Sumitomo Chemical, Sun Chemical, TATA Auto Components, Tenneco, Tredegar, Visteon, WR Grace, and the British Government. Further information on BDA is available at www.bdallc.com.

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