

Press release

Armacell Financial Highlights 2017

- Revenues up by 8% to EUR 603 million
- Adj. EBITDA increased to EUR 102 million
- Integration of acquired businesses on track

Luxembourg, 7 March 2018 – Armacell, a global leader in flexible foam for the equipment insulation market and a leading provider of engineered foams, today reported its unaudited financial results for the year ending 31 December 2017.

In 2017, Armacell increased its revenues by 8.0% to EUR 603.2 million (2016: EUR 558.6 million). EBITDA excluding non-recurring items was EUR 102.1 million (2016: EUR 100.4 million).

Commenting on the company's financial performance, Patrick Mathieu, President & CEO of the Armacell Group, said: *"We continued to deliver on our international growth strategy and expanded the Group's market position across all our regions. Today, Armacell offers a complete portfolio of thermal and acoustic equipment insulation solutions. Our M&A activity in combination with our internal operational efficiency programs will drive significant synergies in 2018 and beyond."*

With 25 production plants in 16 countries Armacell has a strong market position in the growing flexible equipment insulation market segments across Europe, the Middle East and Africa, the Americas and Asia Pacific.

Advanced Insulation EMEA: Armacell acquired Danmat Iso Systems, a leading provider of integrated cladding solutions in Scandinavia and launched construction of a greenfield production site in the Kingdom of Bahrain to service the growing domestic demand in the GCC states and to reinforce its commitment to the Gulf Region where the Group has been operating since 2008. Starting production in H2 2018, Armacell will manufacture a comprehensive range of products, including high-density materials and elastomeric insulation for heating, ventilation and air-conditioning (HVAC) systems.

Advanced Insulation AMERICAS: Armacell significantly expanded its North American production capacity with the integration of Nomaco's PE insulation business and the expansion of cross-linked polyethylene (XPE) manufacturing in the USA. In Latin America, sales were supported by the consolidation of the PoliPex insulation business in Brazil. In 2017, Armacell further expanded its LATAM business across the continent and is today present in Argentina, Brazil, Colombia, Ecuador and Uruguay.

Advanced Insulation APAC: Armacell started producing a new suite of state-of-the-art silica aerogel blankets for high-temperature applications from the company's existing manufacturing facility in Cheonan, close to Seoul. Covering 21,200 square meters, the Cheonan facility is set to become an important hub for industry-leading aerogel manufacturing solutions. In addition, a new certificate granting Armacell access to public projects in South Korea contributed to strengthening growth across the region.

Engineered Foams: The PET manufacturing footprint was expanded with a new production line in Brampton, Canada. Based on the strong demand in Asia, Armacell decided to expand its PET foam production to China, making Armacell the only manufacturer globally to offer PET foam cores made from 100% recycled PET. In parallel, the company put its Component Foams business under new leadership and launched a major investment project to reposition itself in the US component foams market.

Over the last twelve months, Armacell further strengthened its free cash flow and significantly improved the financial strength of the company. As of 31 December 2017, the company had cash on hand of EUR 50 million and a principally undrawn revolving credit facility of EUR 100 million. Armacell is rated B (stable) by Standard & Poor's and B3 (positive) by Moody's.

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About Armacell

As the inventors of flexible foam for equipment insulation and a leading provider of engineered foams, Armacell develops innovative and safe thermal, acoustic and mechanical solutions that create sustainable value for its customers. Armacell's products significantly contribute to global energy efficiency making a difference around the world every day. With 3,000 employees and 25 production plants in 16 countries, the company operates two main businesses, Advanced Insulation and Engineered Foams, and generated net sales of EUR 603 million and adjusted EBITDA of EUR 102 million in 2017. Armacell focuses on insulation materials for technical equipment, high-performance foams for high-tech and lightweight applications and next generation aerogel blanket technology. For more information, please visit: www.armacell.com

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