

**RB 16/2009 – 02.07.2009**

**Acquisition of a majority stake in Industrias Quimicas Löwenberg S.L.**

The Management Board of Selena FM S.A. hereby advises that on 1 July 2009 an investment agreement was signed between its subsidiary Selena Co S.A. and Quilosa Holding XXI, S.L. , whereby Selena Co. S.A. acquired new shares of Industrias Quimicas Löwenberg S.L. (Quilosa), having its registered office in Coslada (Madrid). The new shares of Industrias Quimicas Löwenberg S.L., representing 51% interest in the increased share capital of the company, were acquired in full and paid up in cash by Selena Co. S.A. The transaction gave Selena Co. S.A. 51% voting power at the General Meeting of Industrias Quimicas Löwenberg S.L. The funds raised by Industrias Quimicas Löwenberg S.L in the deal have been used in full to increase the company's share capital.

The purpose of the investment is aimed to give the Selena Group and Quilosa a stronger foothold in Europe as well as increase their share in the western European market. The resultant synergies will expand the two companies' product offer and will enable transfer of technologies, as well as reduction of production costs, including the cost of raw material purchases.

Industrias Quimicas Löwenberg S.L. is involved in the manufacture and sale of construction chemicals for building and industry. Its flagship products are sealants and adhesives produced in a production plant with an area of 29,000 m<sup>2</sup> located in Guadalajara, Spain.

Industrias Quimicas Löwenberg S.L. has been operating continuously since 1940 and is one of the key players in the Iberian market of sealants and adhesives. It has a big customer base, including DIY chains (such as Castorama, Leroy Merlin, Bricoleclerc). 75% of the company's turnover is derived from the Spanish market. Exports accounts for 25% of the company's sales.

In addition to the extensive distribution network in the region, a major strength of Industrias Quimicas Löwenberg is the well-established market position of its Quilosa brand. For 2009, the company expects to achieve sales of over EUR 30 m.

Acquisition of the 51% stake in Industrias Quimicas Löwenberg is an element of the Selena Group's strategy of growth through acquisitions and will contribute to the reinforcement of the Group's competitive position in Europe. The transaction was financed with own funds.