

Press release

Clichy, 7 July 2015

Decorative paint specialist Materis Paints rebrands as Cromology and sets its sights on new challenges.

A world player in the decorative paint sector with iconic brands including Tollens and Zolpan in France, MaxMeyer in Italy, Revetón in Spain and Robbialac in Portugal, Materis Paints has unveiled its new brand identity. Renamed Cromology, the group is writing a new chapter in its almost 250-year history.

A pure player in the decorative paint sector, a market in which it is ranked 4th in Europe, Cromology develops and produces high-end, cutting-edge paints and distributes them in more than 50 countries around the world, with a direct presence in 9 of them. Cromology has a turnover of close to €750 million, with a network of nearly 400 company-operated stores and more than 8,500 partner retailers, from independent distributors to large DIY stores.

The name Cromology reflects the group's desire to embody the common mission of all of its commercial brands: sustainably protecting and beautifying our environments. By combining colour with science and bringing together the highest levels of technical and aesthetic expertise, Cromology turns professional painting into an art form.

Bertrand Dumazy, Chairman & CEO of Cromology, , stated:

"We are extremely proud to be adopting the name Cromology, which reflects the shared history of our iconic brands: using the science of colours to protect and beautify our environments. Providing our professional and private customers with unparalleled paints in terms of both technology and aesthetics is what drives the 4,000 employees in our group day after day.

This name change is also a symbol of our reinforced financial situation and declared ambitions for growth. We are aiming to strengthen our position as one of the three top players in the decorative paint sector in each of the countries in which we operate, but also to reaffirm our status as a champion of innovation and quality of service."

Cromology's new ambitions for growth

Over the past three years, Cromology has launched a number of important initiatives to boost sales and increase its profitability. Thanks to a new management team, an adapted corporate structure, an improved gross profit margin, more focus on customer satisfaction, operational excellence and cash flow generation, Cromology has achieved convincing results.

Between 2012 and 2014, the company's EBITDA grew by 15.7% and its gross operating profit margin grew from 7.6% to 9.1% of turnover. Over the same period, cash flow generation improved by more than 72%.

In August 2014, Cromology refinanced its debt with an initial repayment due in 2020 and leverage was reduced from 8 times the EBITDA to 3.7 times the EBITDA. The group is now able to rely on a healthier financial situation as well as the support of its shareholder Wendel in its pursuit of new ambitions for growth.

Cromology intends to continue to develop its international operations and contribute to consolidating the still extremely fragmented decorative paint sector. In fact, Cromology aims to make acquisitions in order to strengthen its positions in the countries where it already has a presence, establish itself in countries where it is not yet active and complement its offer with specialty products.

Cromology also anticipates continuing market share gains, namely as a result of its policy of renewing and expanding its own distribution network.

The company is also relying on its successful innovation policy. Cromology's ability to capitalise on its research and development efforts is a major asset. 25% of sales are generated by innovations which have been introduced to the market within the last three years, such as depolluting paint, the partnership with Pantone® and exterior paint made with glass microspheres technology.

A new brand identity built on over 250 years of history

Cromology is a new name, but the history of the group began with the passion of a number of European entrepreneurs, whose names have endured for centuries, from Johannes Jodocus Tollens founding his business in 1748 to Francis and Albert Claessens in 1887 and Max Meyer in 1895. Cromology also encompasses other brands with over 50 years of history, such as Duco (founded in Italy in 1928), Robbialac (founded in Portugal in 1931), Alp Pinturas (founded in Spain in 1940), Colorín (founded in Argentina in 1945), Settef (founded in Italy in 1957), Zolpan (founded in France in 1959) and Duraval (founded in Spain in 1963).

The name Cromology was created as an expression of the group's identity and the commitment of all of its brands to a clear vision: the art of professional painting. In Ancient Greek, the name literally means 'the science of colours', and it creates a simple image for the imagination to add to.

The design of the logo is minimal. It is long stretched with a classic, timeless font and is both futuristic and reminiscent of ancient writings at the same time. The Cromology logo

is black and white in order to enable its commercial brands to use the power and variety of colour.

The launch of Cromology 'house of brands' is accompanied by that of the cromology.com website, which features the group under its new name.

CEO of Cromology, Bertrand Dumazy, adds:

"With Cromology, we aim to surpass industry standards by providing both professional clients and private customers with our technological expertise, along with the guarantee of consistent product quality and a strong service-oriented culture.

Cromology symbolises the promise of an organisation dedicated to the values of respect, safety, excellence and imagination, ensuring simplicity and satisfaction for our customers."

Cromology entrusted the creation of the name and visual identity for its new brand concept to brand management agency Royalties.

About Cromology

A world player in the decorative paint sector, Cromology develops and produces high-end, cutting-edge professional paints and distributes them in more than 50 countries around the world, with a direct presence in 9 of them (Argentina, Belgium, France, Italy, Morocco, Portugal, Spain, Switzerland, and Turkey). The group includes iconic paint brands such as Arcol, Classidur, Colorin, Duco, MaxMeyer, Revetón, Robbialac, Tollens and Zolpan.

Cromology has its own distribution network of 374 integrated stores and also distributes its paints through more than 7,500 independent retailers and more than 1,000 DIY stores.

The group has 3,900 employees, generates a turnover of €748 million and runs 10 research laboratories, 13 production facilities and 8 logistics platforms. Its main shareholder is Wendel, one of Europe's leading listed investment firms.

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Appendix: a timeline of Cromology's recent history

Late 1980s	The Lafarge Group sets up a paint division, primarily based on the purchase of Tollens in 1990
1995	Lafarge Peintures is added to the Specialty Materials division
2001	The Specialty Materials division goes through its first LBO and it becomes Materis. Advent, Carlyle and CVC Capital Partners invest along with the management and Lafarge remains a 33% shareholder
2003	LBO France takes over the interests of Advent, Carlyle and CVC Capital Partners; Lafarge only retains 6% of capital
2005	Lafarge Peintures becomes Materis Paints
2006	Wendel becomes Materis' main shareholder; the remaining capital is held by employees
1996 - 2007	Materis Paints achieves external growth and increases its scope: still 10 th in Europe in the 1990s, it climbs to 4 th place
2014	During restructuring, Materis refocuses on decorative paints and sells Kerneos (aluminates), the Parex Group (mortars) and Chryso (admixtures). It also secures a solid financial structure and becomes a stand-alone company, with 81% still held by Wendel
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