



FILTRONA PLC

A leading international supplier of speciality plastic, fibre and foam products

ACQUISITION OF CONTEGO HEALTHCARE LIMITED FOR £160M

Filtrona plc ("Filtrona" or "the Company") today announces that its subsidiary, FIL International Limited, has signed an agreement for the acquisition of 100% of the share capital of Contego Healthcare Limited ("Contego") from Maximus Holding II S.Á R.L. and Storey Evans & Company Limited. The transaction values Contego at approximately £160m on a cash free, debt free basis.

The consideration, which is subject to customary adjustments for net debt and working capital and which will be payable on completion of the transaction, will be funded in part by a placing (by way of an accelerated book-build) of up to 21,142,613 million new ordinary shares, representing 9.99% of Filtrona's current issued share capital (excluding treasury shares); the balance will be funded from existing debt facilities. Completion is conditional upon, among other things, clearance from the German competition authorities, which is anticipated to be satisfied by mid-April 2013.

Rationale and highlights of the transaction

Established in 1991, Contego is a leading pan-European specialist business, providing a range of innovative print, packaging and support services to the pharmaceutical and healthcare markets from operational sites across Europe. With a product range including folding cartons, leaflets, self-adhesive labels and printed foils used in blister packs, Contego is able to deliver a range of complete supply solutions to meet individual customer requirements.

Contego's product portfolio is complementary to Filtrona's existing packaging solutions capabilities in the pharmaceutical and healthcare markets of labels, tear tape and authentication technologies. As such, the acquisition will not only enhance the range and innovation opportunities offered to existing Contego and Filtrona customers, but also provide access for both companies to potential new customers through leveraging their combined skills. In addition, through adding critical mass to the Company in these end-markets and significant additional scale in western Europe, the acquisition of Contego provides opportunity for further development in both Porous Technologies and in speciality tapes through an expanded and more focused category-based commercial approach.

The acquisition of Contego, which will be reported under the Company's Coated & Security Products division, is consistent with Filtrona's Vision 2015 strategy of complementing balanced, profitable organic growth with value-adding acquisitions. Contego is a highly attractive business in growing end-markets, which provides high quality innovative products from its well-invested, fully accredited facilities and benefits from a strong market position and an experienced management team.

For the year ended 31 December 2012 and on a consolidated basis, Contego generated revenue of £102.7m, earnings before interest, taxation, depreciation and amortisation of £17.9m and earnings before interest and taxation of £13.9m: as at 31 December 2012, Contego had gross assets of £78.6m. The transaction meets the Company's previously stated acquisition metrics, and is expected to be immediately earnings enhancing¹.

Commenting on the acquisition, Colin Day, Chief Executive, said:

"The acquisition of Contego is a compelling strategic and complementary fit for Filtrona, as the Company increasingly looks to leverage the capabilities and skills which it already has across its operating divisions in attractive growth end-markets. With a blue-chip customer base, and a proven track record of profitable growth and innovation, Contego step changes Filtrona's position in the pharmaceutical and healthcare markets for our packaging solutions activities. In addition, through leveraging our global commercial and operational resources, there is a real opportunity to geographically expand not only our combined packaging solutions, but also our other essential components to these end-markets."

Deutsche Bank is acting as Corporate Broker.

Conference call

1. A copy of this announcement is available on www.filtrona.com
2. The Company will hold a conference call for investment professionals to discuss the acquisition of Contego at 08:30 (UK time) today, details of which are as follows:

Dial-in number: +44 (0)20 3139 4830 (UK / international participants)

+1 718 873 9077 (US participants)

Toll-free number: 0808 237 0040 (UK participants)

+1 866 928 7517 (US participants)

PIN code: 10999055#

Replay number: +44 (0)20 3426 2807 (UK / international participants)

0808 237 0026 (UK toll-free)

Replay access code: 637868#

Replay available:

Copies of the presentation used during the conference call will be available on the Company's website.

Please note that participation in the conference call and access to the recording of the call will be subject to exclusions for persons located in certain jurisdictions.

¹ The financial information in relation to Contego is unaudited.

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Notes to Editors:

About Filtrona plc

Filtrona plc is a FTSE 250 company and a leading international supplier of speciality plastic, fibre and foam products. Through its four principal operating divisions, Filtrona focuses on the light manufacture and distribution of high volume, essential components which serve customers in a wide variety of end-markets and geographies.

Component & Protection Solutions

Component Distribution is a global market leading manufacturer and distributor of plastic injection moulded, vinyl dip moulded and metal items. Operating units in 23 countries serve a very broad industrial base of customers with a rapid supply of primarily plastic products for a variety of applications in industries such as hydraulics, pneumatics, electrical controls and construction.

The Pipe Protection Technologies business specialises in the manufacture of high performance innovative products from commodity resins to engineering-grade thermoplastics and polymer alloys for use in a range of end-markets. Locations in four countries, combined with a wide distributor network, serve customers around the world.

Porous Technologies

A global market leading developer and manufacturer of custom fluid handling components, engineered from a portfolio of technologies that includes bonded and non-woven fibre, polyurethane foam and porous plastic. Representing leading innovations used in healthcare, consumer and industrial applications, its enabling components are found in a wide range of products from medical diagnostics tests to advanced wound care pads, inkjet printer cartridges, writing instruments, clean room wipes and air fresheners. Customers in over 56 countries are served from six manufacturing facilities with research and development centres supporting the division globally.

Coated & Security Products

The global market leading producer of high quality self-adhesive tear tape and a growing supplier of speciality tapes, fasteners and labels for the consumer and specialist packaging, point of sale and paper and board industries. The division is also a leading supplier of authentication technologies and identity solutions. Customers in over 100 countries are served from facilities operating in five countries.

Filter Products

The only global independent cigarette filter supplier. The nine worldwide locations, including a UK-based research facility and three regional development centres provide a flexible infrastructure strategically positioned to serve the tobacco industry. The division supplies a wide range of value adding high quality innovative filters, packaging solutions to the roll your own sector and analytical laboratory services for ingredient measurement for the industry.

Other

Enitor BV is a leading custom profile extruder located in The Netherlands and offers a complete design and production service. One of the first companies to extrude plastics in 1956, Enitor is now one of Europe's most advanced suppliers of co-extrusions and tri-extrusions to all branches of industry.

Headquartered in the United Kingdom, Filtrona's global network extends to 28 countries and includes c. 4,100 employees, 32 principal manufacturing facilities, 64 sales & distribution operations and 5 research & development centres.

For further information, please visit www.filtrona.com

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