



**MEDIA RELEASE, 9 JULY 2007**

**THEBE INVESTME CORPORATION ACQUIRES 21 PERCENT SHARE IN SAFRIPOL**

Thebe Investment Corporation has acquired a 21 percent share in the local plastics manufacturer Safripol.

Safripol, an independent company, is one of the leading suppliers of polypropylene and high-density polyethylene to the plastics converting industry, primarily for the manufacture of packaging materials and containers. It was bought from Hoechst SA and Sentrachem by The Dow Chemical Company in 1999, and in turn, at the end of 2006, sold to a South African consortium comprising ABSA Capital and the management team.

ABSA Capital, which underwrote, the acquisition last year, had been committed to finding a suitable black empowerment partner. Together with the BEE shareholding at the ABSA Group level, where the Batho Bonke consortium holds 10 percent of the equity, the acquisition gives Safripol more than the 25 percent plus 1 share guideline for BEE companies. The deal is effective from 1 July.

“In Thebe we have found a partner who not only shares our enthusiasm and vision for the business,” says Andre Pieterse, head of ABSA Capital Investments. “As a growing, diversified company they also have tremendous energy and experience that will benefit Safripol as it expands.”

Thebe’s decision to invest in Safripol was based primarily on its solid business fundamentals. The company’s long-term technology agreement with Dow ensures the quality and cost-efficiency of its products, with growing local demand and barriers to entry keeping profit margins secure.

“This is a great opportunity for Thebe as we are already involved in the Chemical business

industry we envisage this partnership as having a long term growth potential Comment here,” says Vusi Khanyile, chairman of Thebe Investment Corporation.

Names will now join the Safripol board of directors, together with the representatives of ABSA Capital and the management shareholders.

CEO Joaquin Schoch says the company is “tremendously encouraged” by the partnership. “It completes the team that is needed to take Safripol to the next level. We now have an experienced management team, a strong financial partner, one of the world’s leading technology partners, and a dynamic empowerment partner. It bodes well for the future of Safripol.”

He adds: “We are sure that the association with Thebe will bring us many more benefits than just the BEE status. Their wealth of investments and management, and their culture of community participation, will be key to an even more prosperous future for Safripol.”

## **ENDS**

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### **About Thebe**

Established in 1992 by Batho Batho Trust, Thebe Investment Corporation is the realisation of a dream to liberate South Africa’s people through economic empowerment, a dream that continues to be fulfilled by providing individuals with financial security through accessibility to affordable products that enhance their quality of life. Aside from its success as South Africa’s oldest and being one of this country’s leading Black Economically Empowered (“BEE”) companies, TIC has emerged as a truly African company that remains true to its vision of creating products and services for the needs of the people. The company is firmly founded on a

belief that our wealth and our values are measured by the extent to which we serve our communities.

**About Safripol**

Safripol is one of South Africa's leading plastics manufacturers. Utilising the most advanced technology and manufacturing processes that meet international best-practice standards. Safripol supplies Polypropylene and High-density Polyethylene to the converting industry, which in turn manufactures an extensive range of industrial and consumer plastic components and products.