

RADIUS GROUP AND AUSTRIAN DISTRICT HEATING LEADER KE KELIT FORM NEW JOINT VENTURE

Radius Group, the multinational market leader in PE Pipe and Fittings and KE KELIT, the leading Austrian Pipe Systems manufacturer based in Linz, are pleased to announce the formation of an exciting new joint venture between Radius and the District Heating business of KE KELIT. Radius will take a majority position in the new company which will trade under the name, Radius-Kelit.

Andy Taylor, Radius CEO, said: "we are overjoyed to be partnering with KE KELIT and the Egger family in establishing such an exciting new opportunity. District Heating is a core segment for the Radius Group and this move will provide all the right combinations to establish a springboard for European growth. The market experience, position and routes to market which KE KELIT, a pioneer in the European District Heating market, provide, combined with the innovative product proposition and the manufacturing and technology expertise from Radius will create a potent market participant. We look forward to working with our partners and their skilled and dedicated workforce to bring to the wider European market a unique offering of reinforced, flexible, pre-insulated plastic pipes designed specifically for high temperature and high pressure networks. This move is the latest in Radius' strategy to complement our core pipe and fittings business with closely associated products, services and technologies and in so doing enhancing our value added proposition to our customer base".

Karl Egger, KE KELIT CEO, said: "KE KELIT, one of the leading companies for domestic and industrial pipe systems, is pleased to have found an excellent partner in Radius for a joint venture in district heating and infrastructure projects. Many innovations will result from this partnership which will benefit the district heating market in Europe. Tradition, innovation, expertise, close relationships with partners and strategic planning are the strengths of this joint venture and the basis for future success".

KE KELIT is a 100% family owned company in Linz, Austria. It is one of the leading manufacturers of pipe systems for hot and cold water, heating, ceiling cooling, pipe insulation and compressed air. KE KELIT has been active in international markets for over 60 years and has manufacturing facilities at five locations and more than 20 offices in Europe, the Middle East and Asia/Pacific region. More details about the Ke Kelit Group can be found at <http://www.kekelit.com>.

Radius Group is the market leader in engineered polymer products in the CIS and the largest producer of polyethylene pipes and fittings in Europe. The Group is the market leader in polymer composite materials supply to the automotive, white goods and building materials sectors in the CIS where it is also the leading manufacturer of District Heating Solutions. The Group operates from 20 plants and exports to more than 50 countries worldwide with an annual turnover of c. €1bn and employs in excess of 7,000 people. More details about the Radius Group can be found at: www.radius-systems.com, www.polyplastic.ru, www.polymerteplo.ru.

