



Ercros signs a financing agreement

Ercros and its pool of banks have signed today, July 22nd, a three year credit facility for the financing of working capital needs up to €107 million, and additionally capital expenditure up to €20 million.

Working capital needs will be funded through a syndicated factoring of account receivables. This factoring facility replaces the financing contributed by the Securitization Funding Facility and other short term credit lines of the company that expire in 2011.

The planned capital expenditure will enlarge existing capacity for certain high added value products of which there is shortage in the market. These investments have all of them an estimated pay back period of less than two years, and are part of the measures the company will undertake according to a saving costs and profit enhancing plan that has been elaborated in collaboration with an independent advisor. The company expects that, additionally to the recovery already observed this year, these investments will have a positive and significant influence on its financial and economic results.

Barcelona, 22nd of July, 2011