



# NEWS RELEASE

GLS CORPORATION - TOTAL TPE SOLUTIONS

## **PolyOne to Acquire GLS Corp. to Drive Specialization Strategy, Open New Markets with Proven, Top-Quality TPE Technologies**

***GLS Acquisition is First Step in Creation of New Business Dedicated to Development, Manufacture & Supply of World's Most Advanced TPEs***

McHENRY, Ill. – Nov. 20, 2007 – PolyOne Corporation (NYSE: POL), a leading global provider of specialized polymer materials, services, and solutions, today announced it will acquire GLS Corp., a world leader in high-performance custom-formulated thermoplastic elastomers (TPEs). The focus of the acquisition will be on the creation of a new state-of-the-art business entity dedicated exclusively to the development, manufacture, and supply of the most advanced TPE technologies in the world. It will offer worldwide customers greatly expanded TPE capabilities including innovative, customized product development; full-scale manufacturing; and fast, hands-on technical service and support. Terms of the pending transaction were not disclosed and finalization of the deal is subject to the satisfaction or waiver of customary closing conditions.

The current GLS management team will operate the new TPE business from its global headquarters in McHenry, Ill. in the United States of America. Combined product development laboratories and manufacturing sites will be located in McHenry, Ill; Gaggenau, Germany; Suzhou, China; and Barbastro, Spain. These will be supported by PolyOne's world-class Advanced Polymer Laboratories located in Avon Lake, Ohio in the United States.

"We are delighted to join forces with PolyOne and become a key component of its strategic evolution," said Dan Dague, president, GLS Corp. "We were impressed with PolyOne's management, its strategic vision, and its corporate philosophies, and believe this combination will result in a new organization that is even stronger and better poised for future success."

For nearly three decades, GLS Corp., a privately-held company has served global OEMs with advanced TPE materials for a broad range of markets, including medical, hand-held electronics, consumer products, leisure, personal care, infant care, food packaging, hardware, and safety. Over this time, the company has earned an outstanding reputation as a strong and reliable strategic partner to many of the world's best-known companies in developing, supplying, and marketing customized soft TPE technology solutions.

The planned acquisition of GLS by PolyOne represents a very important strategic move to secure a company with global reach, high-quality TPE products, and world-class technical capabilities and customer support. With its established brand, and proven TPE product families, GLS easily fits the profile of the type of company PolyOne was seeking to acquire to enhance and broaden its business profile. The pending deal also demonstrates PolyOne's continued commitment to executing a specialization strategy focused on technical innovation, new-product launches, speed to market, and long-term customer alliances rooted in problem solving and value creation.

"We are thrilled to be part of the PolyOne family and expect the deal to be finalized in January 2008," said Walter Ripple, vice president of global sales and marketing for GLS Corp. "All efforts will concentrate on combining the market leadership, strength, experience, breadth of technology, and cutting-edge manufacturing capabilities of GLS and PolyOne to give our customers a distinct competitive advantage in the markets they serve."

GLS, which serves more than 1,200 customers worldwide, has achieved double-digit revenue growth in each of the last 10 years and is well positioned to capitalize on escalating demand for soft-touch products. The company is known for difficult-to-develop specialty compounds and rapid turnaround on customer requests. With approximately 200 employees and annual sales of \$130 million, GLS became the first global specialty TPE focused compounder to begin production in China in 2006.

### **About GLS Corp.**

GLS Corp., a global leader in the development, manufacture, and supply of high-performance, custom-formulated thermoplastic elastomers (TPEs), is headquartered in the United States near Chicago in McHenry, Ill. The company specializes in the manufacture of application-specific soft and ultra-soft TPEs for injection molding and extrusion. GLS has supplied specialty TPEs to the industry since 1979, and is recognized as a worldwide leader in TPE technology solutions. Specific products sold by GLS include proprietary DYNAFLEX® TPE compounds based on KRATON® polymers (available in injection molding and extrusion, as well as medical and FDA grades); VERSAFLEX® TPE specialty alloys (available in soft-touch, lightweight, ultra-soft, ultra-clear, and overmolding grades); VERSALLOY™ TPV alloys; and VERSOLLAN™ TPU alloy compounds. GLS recently announced it has signed a non-exclusive license agreement with The Dow Chemical Company for GLS to offer TPE compounds based on INFUSE™ olefin block copolymers under GLS' DYNALLOY® OBC trade name, and with the tag line "Powered by INFUSE™ olefin block copolymers." GLS is also the exclusive distributor of KRATON compounds and polymers for the compounding market in the United States, and also distributes KRATON compounds and polymers globally.

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™ VERSOLLAN is a trademark of GLS and contains high performance thermoplastic urethanes.

™ INFUSE is a trademark of The Dow Chemical Company.