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Dow Epoxy Announces Three Strategic Acquisitions to Grow Systems Business
UPPC AG, POLY-CARB and GNS Technologies to Join New Dow Epoxy Systems Unit

HONG KONG – September 13, 2007 – Dow Epoxy, a global business unit of The Dow Chemical Company (“Dow”), announced today the signing of definitive agreements to acquire UPPC AG in Germany, and POLY-CARB Inc. and GNS Technologies in the United States. Each of these businesses is a leading epoxy systems formulator in its region. Dow expects to complete each acquisition within 30 to 45 days. Financial terms of the transactions were not disclosed.

These acquisitions are consistent with Dow’s strategy to invest in its downstream performance businesses. For Dow Epoxy, the acquisitions will accelerate the growth and geographic expansion of its new Dow Epoxy Systems business unit, which launched earlier this year. Dow Epoxy Systems offers solution-based epoxy systems to the industry.

“Dow Epoxy is a worldwide leading supplier of epoxies with considerable know-how, manufacturing and R&D capabilities, scale and global reach,” said Patrick Ho, business group president, Dow Epoxy & Specialty Chemicals. “Dow Epoxy Systems leverages our broad chemistry and applications know-how to provide innovative, solution-based systems to our customers. This supports Dow’s strategy to drive profitable growth by being a more customer- and market-driven company.”

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Dow Epoxy Systems will focus on applications in civil engineering, specialty protective coatings, composites, wind energy, and other industries where Dow's unique technology and systems solutions can offer performance enhancement and differentiation to customers.

"We are very excited about what the Epoxy Systems business of Dow Epoxy represents, which is a new engine of innovation and growth," said Pepe Carnevale, global business director, Dow Epoxy Systems. "With this set of acquisitions, we considerably boost that engine with talented people, proven products, promising R&D pipelines, applications know-how and market channels. Combined with Dow Epoxy's organic growth capabilities and epoxy expertise, we have a solid foundation upon which to build Dow Epoxy Systems."

According to Carnevale, each of the three formulators will add unique capabilities to Dow's epoxy systems business. POLY-CARB has a long history as a market leader in systems that combat infrastructure erosion and enhance the safety of bridges, highways and other structures. GNS Technologies is a flexible, service-oriented supplier of customized thermoset systems for civil engineering, industrial maintenance and steel structure coatings applications. UPPC is a major European manufacturer of hardeners for epoxy systems and has led innovation in fields such as composites used in wind energy blades and waterborne systems.

"Joining Dow Epoxy Systems represents a strategic fit of vision, geography, solutions, people and value creation," explained UPPC CEO Ulf Prümmer. "We have worked with Dow through the years and believe that we share a common culture of innovation and excellence. We're excited about tapping into Dow's advanced materials science capabilities to fuel innovation and create new market and revenue opportunities for our customers."

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“Working as part of Dow Epoxy Systems, we believe, will significantly enhance our capability to grow our sales of solutions that offer superior protection for new and existing infrastructure projects and improved safety for roads and highways,” said Ratanjit Sondhe, general manager of POLY-CARB.

“What we like about joining Dow Epoxy Systems is that we will be able to deliver enhanced innovation and added value to customers without compromising the speed, flexibility and efficiency of service that they have come to expect from us,” explained Dr. Anil Goel, general manager, GNS Technologies. “Existing customers of the businesses joining Dow Epoxy Systems will benefit greatly from the strengths that come from having the backing of one of the world’s largest chemical companies.”

About the Companies Joining Dow Epoxy Systems

GNS Technologies: Specializes in providing high performance products and customized systems to thermoset polymer markets with a focus on cross-linking polymers such as epoxies, polyurethanes, polyureas, etc. used for civil engineering, industrial maintenance and steel structure coating applications. More information about GNS Technologies is available at www.gnstechnologies.com.

POLY-CARB Inc.: Provides epoxy products and systems in the following industries: highway bridge restoration and waterproofing, parking structures restoration and waterproofing, pavement striping and delineation, industrial floor surfacing and maintenance, corrosion control and tank linings, structural adhesives, and coatings and grouts. More information about POLY-CARB is available at www.poly-carb.com.

UPPC AG: UPPC AG is a leading systems and hardeners supplier deeply seated in the civil engineering, specialty coatings and composites industries, as well as select specialty markets. The company is headquartered in Baltringen, Germany and was established in 1986. More information about UPPC AG is available at www.uppc.de.

About Dow Epoxy and Dow Epoxy Systems

Dow Epoxy is one of the world’s largest epoxy resins and intermediates manufacturers, with strong positions in a number of major application areas, including coatings, electrical laminates and civil engineering. Dow Epoxy brings a world of technologies, research and technical support to its customers. Dow Epoxy Systems, a business unit of Dow Epoxy, is a formulator for users of specialty epoxy systems. Dow Epoxy Systems combines established systems expertise with the latest technologies and materials science to effectively meet customers’ needs, solve their problems and assure quality long-term performance. More information about Dow Epoxy Systems is available at www.dowepoxysystems.com. More information about Dow Epoxy is available at www.dowepoxy.com.

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About The Dow Chemical Company

Dow is a diversified chemical company that harnesses the power of innovation, science and technology to constantly improve what is essential to human progress. The Company offers a broad range of products and services to customers in more than 175 countries, helping them to provide everything from fresh water, food and pharmaceuticals to paints, packaging and personal care products. Built on a commitment to its principles of sustainability, Dow has annual sales of \$49 billion and employs 43,000 people worldwide. References to "Dow" or the "Company" mean The Dow Chemical Company and its consolidated subsidiaries unless otherwise expressly noted. More information about Dow can be found at www.dow.com.

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