

For immediate release

December 20, 2012

Announcement by Valent BioSciences Corporation

Valent BioSciences Corporation, headquartered in Libertyville, Illinois, USA, and a subsidiary of Sumitomo Chemical Company, Limited, issued the attached announcement on December 19, 2012.



**FOR IMMEDIATE RELEASE**

## **Valent BioSciences Corporation Acquires Pace International LLC for US\$65 Million**

***Adds a critical postharvest platform to the company's rapidly expanding biorational business***

LIBERTYVILLE, IL, December 19, 2012 – Valent BioSciences Corporation (VBC), the leader in biorational product development for agriculture, public health, and forestry worldwide, announced today it has signed a definitive agreement to acquire Pace International LLC (Pace), a global leader in the postharvest segment of commercial agriculture with operations in the US, Mexico, and South America. Previously VBC owned 25% of the company.

The acquisition adds another strategic platform to VBC's rapidly expanding global biorational business. Headquartered in Seattle, WA, Pace specializes in the development and commercialization of coatings, sanitizers, and postharvest disease management products for use in many crops including citrus, stone fruit, pome fruit, potatoes and others. Postharvest products improve fruit quality and maintain nutritional value while allowing for longer storage, providing global reach to many types of high value crops. Postharvest losses can range up to 40-50% of all produce that is grown, depending on the crop and country.

"The Pace assets bring VBC the unique opportunity to leverage our extensive product portfolio and pipeline further downstream into new and exciting areas that will redefine the postharvest business segment," said VBC President and CEO Michael Donaldson. "Along with our \$150 million investment in a new biorational product manufacturing facility in Osage, IA, VBC's acquisition of Pace will help us to meet the growing demand for high quality produce and further expands our global footprint as the undisputed leader in this sector."

Biorationals are products typically derived from biological origins that are highly specific in their activity while providing economic, health, and/or environmental benefits. Biorational products include microbial insecticides, fungicides, and nematicides, as well as plant growth regulators used in production agriculture and for managing plant growth, quality and stress in crops.

Donaldson, also an executive officer with VBC's parent Sumitomo Chemical Company, (SCC), said the acquisition supports SCC's strategic vision to diversify its participation in



the total food production value chain using both novel and conventional technologies while leveraging Sumitomo's global market access.

"Over the course of the last decade, SCC has been investing heavily in technologies that will position it as a fully integrated supplier of agricultural products," said Donaldson. "With this acquisition, SCC becomes the only multinational supplier with both conventional and biorational product solutions extending from pre-planting seed protection and physiological seed enhancement to preharvest crop production/protection and postharvest applications benefiting the entire value chain."

Pace employs over 100 people worldwide. Roberto Carpentier, VP of Sales and Marketing for the last 8 years, will become the new executive vice president and chief operating officer of Pace, reporting directly to Michael Donaldson. The acquisition is expected to close before the end of the year.

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**About Valent BioSciences Corporation** Headquartered in Libertyville, IL, Valent BioSciences is a subsidiary of Tokyo-based Sumitomo Chemical Company and is the worldwide leader in the development, manufacturing and commercialization of biorational products with sales in 95 countries around the world. Valent BioSciences is an ISO 9001:2008 Certified Company. For additional information, visit the company's website at [www.valentbiosciences.com](http://www.valentbiosciences.com)

**About Pace International LLC**

Pace International LLC collaborates with growers, packers and agricultural organizations to develop innovative solutions to enhance, protect, and preserve fruit and vegetable quality. Pace is the leading provider of post-harvest solutions and technologies, equipment and technical services to maximize efficiencies in packing operations and increase the value of crops being processed. Pace International LLC is headquartered in Seattle, Washington, USA with R&D, Manufacturing and Administration in Wapato, WA and Sales and Technical Service Offices around the world. For more information, visit [www.paceint.com](http://www.paceint.com)

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