

LOCALS AT THE WHEEL OF BANDAG

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Effective 1 December 2004, by way of a management buy out, the South African operations of Bandag Inc., the NYSE listed global tread manufacturer, will become locally owned. The name of the new business will be – BANDAG SOUTHERN AFRICA (Pty) Ltd.

A condition of the sale is that the local business continues to represent the worldwide interests of Bandag Inc. A long term Technology Licencing Agreement has been concluded between the two companies, which incorporates provisions for the following:

- A supply agreement with worldwide affiliates of Bandag Inc. for the ongoing supply of tread products
- Technological support from Bandag Inc. in all areas of the business including new tread products

Bandag Inc., the undisputed worldwide leader in retreading and fleet solutions, has been a part of the South African transport community for over 30 years and will remain committed to the success of the business in South Africa, thus ensuring that the Bandag name and presence are sustained in Southern Africa.

Bandag in South Africa, has both ISO and SABS certification and is committed to consistent quality in all of its products and services. With a strategically positioned franchise network and the growing number of Bandag Truck Services (BTS) outlets in Southern Africa, Bandag SA is able to provide end-users with the best in-class products and services for the trucking industry.

Bandag Inc. is famed for revolutionizing the retreading industry by introducing a cold "pre-cured" process designed to produce durable retreads to be applied on used tyre casings. This unique innovation has provided exceptional benefits to transportation fleets worldwide, as it recycles used tyre casings into high quality replacement tyres that deliver as much reliability, durability and performance as a new tyre.

Local decision making combined with the benefits of being part of the global Bandag family will facilitate not only business as usual for Bandag in South Africa, but also a closer relationship with both the transport and new tyre industries in Southern Africa.

