

Press Release

Paris, December 5, 2013

Astorg Partners to Enter Exclusive Negotiations with Materis on Acquisition of Kerneos

Astorg Partners announced today that it has entered into exclusive negotiations with Materis to acquire its Kerneos business.

The contemplated transaction values Kerneos at approximately €600m (EV). This project will involve a process of information and consultation of the relevant work councils and will be finalized in the first half of 2014, subject to obtaining the required regulatory approvals.

Kerneos is the world leader in calcium aluminates for the building chemistry and refractories industries. Based in Paris, France, Kerneos has 1.200 employees and 10 production sites located in France, the UK, China, the US, Brazil and South Africa. Kerneos's sales have been steadily growing over the last 10 years to reach €370m in 2013. Thanks to its continuous investment in R&D and innovation, Kerneos strives to develop high value-added products intended for its clients' new solutions and to regularly widen its product range, whilst constantly improving the reliability of its manufacturing processes and products. Kerneos sells its products in more than 100 countries, and has expanded its foothold into emerging markets, which now account for close to one third of its total revenues.

Olivier Legrain, President and CEO at Materis, commented: *"Kerneos has over the past years enjoyed an excellent growth story within the Materis group. We take great pride in the work we have accomplished to transform this business into a world's leader at the cutting edge of innovation. Just like our other divisions, we believe that Kerneos' expansion is poised to accelerate, benefiting from an ideal positioning to capture future additional growth driven both by emerging markets and recovering mature economies."*

Thierry Timsit, Managing Partner at Astorg Partners, said: *"Over the past two years, we have been able to comfort ourselves with the strength of Kerneos' strategic fundamentals, and with the outstanding qualities of its leadership team. We are determined to bring to this newly independent team, all the necessary support to implement and deliver an ambitious growth plan, advancing into positions of increased technology leadership and geographical coverage."*

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About ASTORG Partners (www.astorg-partners.com)

Astorg is an independent private equity fund management company, specializing in French midmarket buyouts with total funds of over €2 billion under management, and investing in businesses, often family-owned, with attractive growth prospects. Astorg's team has distinguished itself by a distinct entrepreneurial culture, a long-term view in its shareholder approach, a lean and local decision-making body enhancing its reactivity, and a strong commitment to its partnering management teams. Although a multi-sector investor, Astorg has developed solid industry expertise in professional services, healthcare and speciality manufacturing.

Press Contacts

ASTORG Partners

Thierry Timsit

+33 1 53 05 40 34

ttimsit@astorg-partners.com

Publicis Consultants

Robert Amady

+33 1 44 82 46 31

robert.amady@consultants.publicis.fr