



**Astorg announces that they have entered into exclusive negotiations with
PAI Partners for the sale of Ethypharm**

10 May 2016

Paris, France: Astorg today announced that they have entered into exclusive negotiations with PAI Partners for the acquisition by PAI of Ethypharm alongside Ethypharm's management team. The equity for the transaction would be provided by PAI Europe VI, PAI's latest €3.3 billion fund.

Leveraging on its unique expertise in the formulation, development, registration and production of drugs with complex dosage forms, especially opioids, Ethypharm has become a leading European specialty pharma focusing on the treatment of pain and addictions. With a presence in France, Germany, the UK, Canada, the US and China, Ethypharm generates over €200 million of sales.

The offer of PAI is subject to the consultation process of the relevant "Comités d'entreprise" (French employee works councils) and all parties will enter into the final negotiations on successful completion of this process.

Hugues Lecat, CEO of Ethypharm, said: "We are proud of Ethypharm's achievements to date and believe PAI's institutional support would facilitate our plans for international expansion and for development as a specialty pharmaceutical company. We look forward to working with PAI and are thankful to Astorg for their unconditional support over the last years."

Thierry Timsit, Managing Partner at Astorg, said: "We acquired Ethypharm in 2007 alongside one of its co-founders, Gérard Leduc, and have patiently added the skills, R&D investments and market access abilities, organically and through add-on acquisitions, to reposition the company as a strong and focused specialty pharma. We are proud of this transformation, made possible by the alliance of long term capital and a fantastic talent pool, led by CEO Hugues Lecat."

Edward Chandler, Partner at PAI commented: "We are delighted to partner with Hugues Lecat and his team to support the continued growth and success of Ethypharm. The company has an excellent management team, a clear vision of what it is seeking to achieve, and a bright future as a specialty pharmaceutical company."

About Ethypharm

Ethypharm is an independent pharmaceutical company with global reach. The company is dedicated to developing innovative drugs to treat pain and addiction, two major therapeutic areas with large unmet medical needs. Ethypharm also develops complex generics that contribute towards the optimization of healthcare costs. Ethypharm employs 900 people, mostly in France where its innovation centre and two high quality manufacturing sites are based. Ethypharm drugs are currently marketed in 30 different countries around the world.

About Astorg

Astorg is a European private equity firm with total funds under management of over €4 billion. Astorg seeks to partner with entrepreneurial management teams to acquire European companies and create value through the provision of strategic guidance, experienced governance and adequate capital. Astorg enjoys a distinct entrepreneurial culture, a long-term shareholder perspective, and a lean decision-making body enhancing its reactivity. Though not specialized, Astorg has gathered a valuable industry expertise in healthcare, business-to-business professional services, and technology-based industrial companies. Astorg has offices in London, Paris and Luxembourg, plus Senior Advisors based in Amsterdam, Zurich and Frankfurt.

For further information about Astorg: www.astorg.com

About PAI

PAI is a leading European private equity firm with offices in Paris, London, Luxembourg, Madrid, Milan, Munich and Stockholm. PAI manages over €8 billion of dedicated buyout funds. Since 1994, PAI has completed 58 LBO transactions in 11 countries, representing c€40 billion in transaction value. PAI is characterised by its industrial approach to ownership combined with its sector based organisation. PAI provides portfolio companies with the financial and strategic support required to pursue their development and enhance strategic value creation.

For further information about PAI: www.paipartners.com

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