

Eurazeo PME sells The Flexitallic Group to Bridgepoint for €450 million

This sale generated cash proceeds of €145 million, a capital gain of €95 million and multiplied Eurazeo PME's original investment by 2.9. Guided by Eurazeo PME, The Flexitallic Group (formerly FDS Group) became the global manufacturing leader in sealing solutions and products for the energy production sector within a period of six years.

Paris, May 6, 2013 – The investment company Eurazeo PME, a subsidiary of Eurazeo specializing in medium-sized companies, announces the sale of The Flexitallic Group, the global manufacturing leader in sealing solutions and products for the energy production sector, to Bridgepoint, an international private equity company.

Concluded in close cooperation with the management of The Flexitallic Group, the sale will allow the company to pursue its geographical and technological development within an international private equity group, in keeping with the strategy first implemented in 2006.

Based on a group valuation of €450 million, the divestment means that Eurazeo PME can realize a value of €145 million, which exceeds by 26% the NAV adopted as part of the most recent portfolio valuation as of December 31, 2012. Eurazeo PME has multiplied its initial investment by 2.9 and generated an annual return of 28%, over a period of more than 6 years. It also reinvested €10 million in The Flexitallic Group.

In 2006, Eurazeo PME purchased a stake in the French company Siem. Over the last six years, Eurazeo PME has provided financial and strategic support regarding six acquisitions in the United Kingdom and North America and the group's global organization alongside management. The Flexitallic Group has developed its business in new markets, but also bolstered its innovation capacity by investing €12 million over those six years to modernize its manufacturing facilities and in R&D. Eurazeo PME carried out four capital reinvestments over the period, thus increasing the company's balance sheet value based on growth. Since Eurazeo PME became its key shareholder in 2006, The Flexitallic Group has multiplied its revenue by 11, from €18 to €210 million, of which 90% at the international level. The number of employees has increased from 46 to 1,250.

The Flexitallic Group is a global manufacturing leader in sealing solutions and products for the energy production sector, and the oil and gas, chemical and petrochemical industries in emerging markets and developed countries. Companies within The Flexitallic Group include Flexitallic (US and UK), Custom Rubber Products (US), SIEM (France), AGS Flexitallic Inc. (Canada), Sealex (UK), Induseal (Germany), and FST (China). The group also has production sites in Mexico, the Middle East and Kazakhstan, and relies on a network of licensed partners the world over. The group is thus positioned in all segments of the energy industry: upstream, midstream, downstream and power generation. Its major clients are Shell, GE, Total, Schlumberger, Baker Hughes, and Cameron.

In the words of **Olivier Millet, Chairman of the Eurazeo PME Executive Board**, “We are very pleased to have accompanied The Flexitallic Group with its profound transformation and exceptional growth over the last six years. Thanks to the high-quality work of Rémi Toledano and his entire management team, The Flexitallic Group has demonstrated its capacity for growth, international acquisitions and rapid consolidations. Today it is a solid, innovative and responsible company that we have chosen to sell to a dynamic group, at whose side it will be able to pursue its growth trajectory.”

For **Rémi Toledano, CEO of The Flexitallic Group**: “The work carried out with the support Eurazeo of PME since 2006 has enabled us to stand out in the eyes of industrial players in the oil, gas, chemical and petrochemical sectors. Bridgepoint’s acquisition of an interest in The Flexitallic Group comes at a propitious moment in the history of our company and offers it particularly attractive growth perspectives. The next step is to double our group’s size in the next five years.”

Frédéric Pescatori, partner responsible for Bridgepoint’s investment activity in France, stated: “The quality of Flexitallic’s service and products is impressive, as is the dynamism and vision of its management team. Recent acquisitions in the alternative energy market offer compelling growth prospects not only in North America where the group is already present but also in Asia, Australia and South America. Bridgepoint intends to support the group with its geographical and technological expansion, providing it with the means to double its size in the next five years.”

Participants in the transaction

Eurazeo PME	Olivier Millet, Erwann Le Ligné, Rodolphe de Tilly
Legal counsel of the vendor	SJ Berwin (Maxence Bloch, Pierre-Louis Sevegrand-Lions)
M&A	Leonardo (Ludovic Tron, Jean-Baptiste Marchand)

> ABOUT THE FLEXITALLIC GROUP

The Flexitallic Group is the global manufacturing leader in sealing solutions and products for the energy production sector, and the oil and gas, chemical and petrochemical industries in emerging markets and developed countries. The group is present on all segments of the energy industry: upstream, midstream, downstream and power generation, and comprises the following companies: Flexitallic, AGS Flexitallic, SIEM Supranite, Novus Sealing, Induseal Gaskets, Sealex et Custom Rubber Products. It has 1,250 employees and generated revenue of €210 million.

www.flexitallic.com

> ABOUT EURAZEO PME

Eurazeo PME is an investment firm and subsidiary of Eurazeo dedicated to majority investments in French SMEs with an enterprise value of less than €200 million.

Eurazeo PME acts as a long-term shareholder, providing its portfolio companies with all the financial, human and organizational resources they need for a durable transformation. With an investment horizon generally ranging from 5 to 10 years, it guides its portfolio companies in creating sustained and, hence, responsible growth. This commitment is formalized and deployed through a CSR (Corporate Social Responsibility) policy.

Eurazeo PME is a shareholder in 8 soundly positioned companies strengthened with experienced management teams: Dessange International, Léon de Bruxelles, Idéal Résidences, Gault&Frémont, The Flexitallic Group, IMV Technologies, Fondis Bioritech and BFR Group.

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