



INDUSTRI KAPITAL



Press Release

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Industri Kapital enters into Cerba European Lab's capital

Industri Kapital has signed an agreement with Astorg Partners, ICG and management to join the shareholding structure of Cerba European Lab ("Group Cerba"), the leading French medical testing group, as a majority shareholder.

Group Cerba, via Laboratoire Pasteur Cerba, carries out specialised tests for routine testing laboratories and hospitals, and has a leading market position in France with a 40% market share in specialised medical diagnosis. Based near Paris, the group has a staff of 500 highly qualified employees and benefits from a strong technological base and an excellent brand. Group Cerba has a panel of over 1,300 tests in various fields such as infectious disease, virology, autoimmune disease, allergy, endocrinology, oncology, toxicology, molecular genomics and cytology. Cerba, which was originally set up in 1967, merged with the CMBS (Special Medical Test Center) in 1999 to form Laboratoire Pasteur Cerba, before being acquired by Astorg Partners and the management team in 2002.

In 2005, the group achieved sales of c. €100 million, out of which 95% in France and the remainder in the rest of Europe and North Africa. The bulk of its revenues come from clinical pathology (which represents 80% of 2005 sales), followed by genetics, cytology and animal health.

Total medical spending in France has increased on average by c. 8% over the last five years. Steady underlying growth of the market in the future is expected to be driven by ageing population, increased prevention and innovation within the In Vitro Diagnosis industry. The same growth pattern can be observed in the rest of Europe.

Christopher Masek, Partner at Industri Kapital, said "We are delighted to strengthen the shareholding structure of Cerba European Lab. The group has a leading position in France and benefits from its technological expertise and the outstanding quality of its staff. We are looking forward to working with the management team to grow the business further, both organically and via add-on acquisitions across Europe, as successfully experienced by Industri Kapital in prior investments".

Catherine Courboillet, CEO of Group Cerba and Christine Bergeron, CEO of Laboratoire Pasteur Cerba, said "We thank Astorg for having accompanied the smooth transition between Alain Funès, the founder of the group, and the new management team and contributed to the strengthening of the organisation of the group. With Industri Kapital, we have found a well qualified partner to support our growth strategy, both internally and via add-on acquisitions in Europe. Their expertise in buy-and-build strategy implementation will be key for Group Cerba to become a truly pan-European player in the medical diagnosis industry."

Thierry Timsit, Partner at Astorg Partners said: “We are impressed by the achievements of Groupe Cerba’s management team, biologists and technicians. In less than a decade, the lab has doubled its activity, whilst safeguarding its culture of scientific excellence and its focus on quality. It is today a remarkably well organized company, set to seize the numerous opportunities offered by the European competitive landscape. We are proud to have had the opportunity to partner with this team, and are convinced that the addition of Industri Kapital as a key shareholder will accelerate the lab’s route towards European leadership.”

The transaction is subject to customary merger control approvals.

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Industri Kapital

Industri Kapital is a European private equity firm with Nordic roots, managing close to €4 billion in fund commitments. Since 1989, Industri Kapital has acquired 58 European companies. The current portfolio encompasses 24 companies with a total turnover close to €8.6 billion.

Industri Kapital invests mainly in mid-sized companies with strong cash flow and profit improvement potential, operating in mature industries with fundamental underlying growth.

Industri Kapital’s previous investments in France include Laho Equipement (2000, sold in 2005), one of the leading construction equipment rental groups in France, Groupe Fives-Lille (2001, sold in 2004), an international industrial engineering group, Labeyrie (2002, sold in 2004), a company producing upmarket branded food products sold on the French, Dutch, Belgian and Spanish markets, CEVA Santé Animale (2003), which develops, manufactures and distributes Animal Health products, Idex (2004), France’s largest independent energy and

environment services company, SIA (2005), a global leader in home decoration and Bonna Sabla – Consolis (2005), the European leader in prefabricated concrete.

Astorg Partners

Astorg Partners is a French independent private equity firm, managing over €500 million of capital. Astorg Partners seeks to partner with successful and entrepreneurial management teams, to acquire mid-sized businesses with attractive growth prospects, which Astorg will support through the provision of experienced advice and adequate capital. Astorg enjoys a distinct entrepreneurial culture, a lean and local decision-making body enhancing its reactivity, and a true commitment to its partnering management teams within a concentrated investment portfolio.

Although clearly a multi-sector investor, Astorg has developed a strong industry expertise in distribution (Sephora, Marc Orian, Un Jour Ailleurs, Picard Surgelés, Frans Bonhomme), healthcare (Sebia, Laboratoire Pasteur-Cerba), professional services (Lowendal Group, RLD, CIS, Geoservices) and industrial equipments (ECM, Mecatherm).

Astorg Partners closed 50 transactions over the last fifteen years, yielding compounded annual returns of over 30% on realized investments.

Group Cerba

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