

Press Release

4 November 2016

IK Investment Partners to sell Axtone Group to ITT

IK Investment Partners (“IK”) is pleased to announce that the IK 2004 Fund has reached an agreement to sell Axtone Group S.A. (“Axtone” or “the Company”), a leading manufacturer of highly engineered and customised components for railway industry, to ITT Inc., a US stock quoted manufacturer of engineered critical components and technology solutions for the energy, transportation, and industrial markets worldwide. Financial terms of the transaction are not disclosed.

Axtone is Europe’s premier manufacturer of buffers, draw-gear devices, railway springs as well as other shock absorption and safety components for rail and metro vehicles and rail infrastructure. With over 200 product certificates and customers across the globe, the Company’s solutions fulfil the requirements of European, UIC, Russian GOST and Chinese TB/T technical standards. Axtone is headquartered in Kanczuga, Poland and manufactures its products across six locations in Poland, Germany, Czech Republic and Russia as well as in a joint-venture in China.

“Together with Axtone’s management, we have successfully transformed the Company from a European freight buffer manufacturer to a global provider of customised solutions for shock absorption to the rail industry. During IK’s ownership, we supported two add-on acquisitions within railway springs as well as fostered a restructuring of the Company’s operations and footprint. Our investment in Axtone demonstrates IK’s ability to support CEE companies, particularly in terms of international expansion and the implementation of transformational agendas. We wish the Company and its management team the very best in their next step of development,” said Detlef Dinsel, Partner at IK and advisor to the IK 2004 Fund.

“The partnership with a new owner is a real acknowledgement of the achievements of Axtone, and we would like to thank IK for their support. Axtone is well-positioned to benefit from its unique technologies and brand recognition. We are pleased with the opportunity to join ITT’s legacy KONI brand, as we have a shared commitment to innovation, quality and unrivalled performance,” said Oliver Feicks, CEO of Axtone.

The transaction is expected to close in the first quarter of 2017, subject to customary closing conditions, including receipt of appropriate regulatory approvals.

For further questions:

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About Axtone

The AXTONE Group is an expert in impact energy absorption technology for all types of rail vehicles and springs, which are also applicable in other than railway industries. Axtone's customers include companies from all over the world, representing the railway sector, as well as the industrial sector. Axtone's solutions are used in the mining industry, construction machinery, playground equipment, power plants, agricultural machinery and systems used for vibration isolation. For more information, please visit www.axtone.eu

About IK Investment Partners

IK Investment Partners ("IK") is a Pan-European private equity firm focused on investments in the Nordics, DACH region, France and Benelux. Since 1989, IK funds have raised more than €7.5 billion of capital and invested in over 100 European companies. IK funds support businesses with strong underlying potential, partnering with management teams to create robust, international leaders with excellent long-term prospects. For more information, please visit www.ikinest.com