

Press release

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IK Investment Partners to sell Hansa to Oras Group

IK Investment Partners' ("IK") IK2007 Fund has agreed to sell Hansa Metallwerke AG ("Hansa"), one of Germany's leading suppliers of sanitary fittings to Oras Group, the industry leader in Northern Europe. The transaction is expected to close by the end of September 2013.

Hansa is a market leader for bathrooms and kitchen sanitary fittings in Germany and Austria and a reputable manufacturer of high quality, environment friendly and innovative products. During almost three years of IK ownership, management and IK have expanded Hansa internationally and improved its competitive position through focus on its core competencies, restructuring its product portfolio as well as optimising manufacturing and material costs.

Oras, the Nordic market leader, develops, manufactures and markets user-friendly, water and energy saving sanitary fittings. As early as the 1990s, it introduced the first touchless electronic faucets on the European heating, ventilation and air conditioning market, and today the company leads market development with its smart faucets.

Combining Oras and Hansa creates a new **Oras Group** (combined turnover of €260 million), a European leader with potential for further expansion internationally. Both Oras and Hansa brands will be developed after the transaction.

Pekka Kuusniemi, President and CEO of Oras Group, describes the acquisition as a quantum leap into the German and Continental European markets: "The Nordic Countries are our strong home markets and we have been looking for an effective way to expand into Continental Europe. The German market alone is ten times bigger than Finland and it accounts for almost 20% of the entire European market. Together, as a new company twice the current size of Oras and with a considerably strengthened market position, we are well equipped for sales growth. Hansa has a strong market position, highly renowned product quality and a recognised brand all over Continental Europe. Geographically, Oras and Hansa are an excellent fit. Joining forces with Hansa considerably enhances our future prospects. Yet, we are humbly aware of the demanding task ahead as we integrate two companies of same size into one value creating entity."

Christopher Marshall, CEO of Hansa Group also welcomes this transaction and notes: "IK's commitment to Hansa's long term success is apparent and will be well served in Oras' family driven culture. We bring two complementary companies together that are both in good shape and willing to grow. Both companies manufacture high-quality products, have respected brands, employ competent people and have strong positions in our respective markets. We can learn a lot from each other and find synergies in sales, operations and product portfolios. Combining our strengths will enable us to achieve market positions that neither company could on their own."

Detlef Dinsel, Managing Partner at IK: "The sale of Hansa marks the full exit of Hansa Group by IK to two strong strategic partners – Oras (HANSA) and Franke (KWC). We are pleased to

have successfully restructured Hansa and improved its competitive position and profitability. Together Hansa and Oras will be a strong pan-European market leader which is ready to expand further in international markets and reach the next level. We would like to thank the Hansa management team and employees for their efforts and professionalism and wish them all the best for the future.”

For further questions contact:

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Oras is a major supplier of user-friendly, water and energy saving sanitary fittings of high quality. The company, established in 1945, is the market leader in Northern Europe. Oras is a family company owned by Oras Invest. Oras' head office is located in Rauma, Finland, and the company has two factories, in Rauma and in Olesno, Poland. The company has own sales force in fifteen European countries. In 2012 Oras' net sales totalled €131.1 million and the company employs about 800 people. (www.oras.com)

Hansa is a leading supplier of high-quality, innovative sanitary fittings in German speaking Europe. The company, established in 1911, is the second biggest faucet manufacturer in Germany and the market leader in Austria. Hansa's head office is located in Stuttgart and the company has two factories, in Burglengenfeld, Germany, and in Kralovice, Czech Republic. Hansa has own sales force in nine European countries and in China. In 2012 Hansa's net sales totalled €128.5 million and the company employs about 600 people. (www.hansa.com)

Oras Invest is the 100% owner of Oras Group. Oras Invest is a family-owned company with almost 70 years of industrial entrepreneurship tradition. Committed ownership, long-term development and sustainable value growth form the core of Oras Invest's strategy. It is also the largest owner of three publicly listed companies: Kemira (18%), Tikkurila (18%) and Uponor (23%). Oras Invest focuses its ownership in the water and building industries. At the end of 2012 Oras Invest's Net Asset Value totalled €617 million. (www.orasinvest.fi)

IK Investment Partners ("IK") is a Pan-European private equity firm focused on investments in three regions; the Nordics, Germany/CEE and France Benelux. Since 1989, IK Funds has invested approximately €5.6 billion in over 80 European companies. IK Funds invests with the management of mid-sized companies that have strong improvement potential, operating in the business services, care, industrial goods and consumer goods sectors. The current portfolio comprises 24 companies. (www.ikinest.com)

