



C e m b r e

Joint-stock Company
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Press Release

Cembre (STAR): acquisition of IKUMA GmbH & Co. KG

Brescia, May 3, 2018 – Cembre S.p.A. (a STAR segment listed company and one of the largest European producers of electrical connectors and tools for their installation) announces that its wholly-owned German subsidiary Cembre GmbH acquired today the entire capital stock of German company Ikuma GmbH & Co.KG (“Ikuma KG”). Cembre GmbH also acquired the entire capital stock of Ikuma Verwaltungs GmbH, a company whose only activity is to manage and provide strategic advice to Ikuma KG. The latter acquisition is deemed instrumental to continue to keep advantage of the benefits recognized to this specific corporate structure by German law.

The acquisition was carried out by means of the underwriting and simultaneous execution of the purchase of the entire capital stock of Ikuma KG and of Ikuma Verwaltungs GmbH against the payment of a price of €6,300,000 in cash reflecting the Enterprise Value of the two companies. The purchase contract provides also for the additional payment in four annual installments of a further total amount of €2,000,000 over the mentioned four year period, contingent on the verification of specific conditions. The acquisition was financed entirely from Group’s own resources.

Ikuma KG is active on the German market in the electrical equipment sector supplying a number of German distributors and is one of the main domestic suppliers of cable terminals. At December 31, 2017, the company had 18 employees, while turnover for the year amounted to €8.05 million. Its product range is very similar to Cembre’s.

Giovanni Rosani, Chairman and Managing Director of Cembre S.p.A. declared:

“We are satisfied with this operation as it allows the Cembre Group to consolidate its presence in the German market. We stress that Ikuma KG operates in a market segment in which Cembre GmbH is scarcely present and that the acquisition thus allows the Cembre Group to grow in the electrical equipment distributor segment in which we have been planning to increase our presence for some time. The acquisition also produces strong synergies with Cembre’s current product range”.

In the planning and carrying out of the operation Cembre was assisted by KPMG Advisory acting as financial advisor and by legal advisors Luther Rechtsanwaltsgesellschaft mbH.

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Cembre designs, manufactures and distributes electrical connectors and cable accessories. It enjoys a leadership position in Italy and significant market shares in the rest of Europe. It is also the world's largest producer of connector installation tools (mechanical, pneumatic and hydraulic) and tools for cable shearing. The products it has developed for connection to the rail and for other railway applications are used by the main companies in this sector round the world. Cembre owes its success

to an insistence on innovative, high-quality products, a broad and thorough collection, and an extensive distribution network both in Italy and abroad.

Founded in Brescia in 1969, the Cembre Group is now a full-fledged international force. Along with the parent company in Brescia it has five subsidiaries: four trading companies (in Germany, France, Spain and the United States) and one manufacturing and trading subsidiary (Cembre Ltd., in Birmingham, U.K.), for a total workforce of 710 as of December 2017. Since 1990 its products have been certified by Lloyd's Register Quality Assurance for the design and production of accessories for cables, electrical connectors and tools for their installation.

Cembre has been listed on the Italian Stock Exchange since December 15, 1997, and on the STAR section since September 24, 2001.

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