

PRESS RELEASE

Deutsche Beteiligungs AG invests in R&M International GmbH

- **Provider of interior outfitting for ships and marine installations with global footprint**
- **Expansion capital investment in DBAG core sector**
- **Growth through stronger market position in cruise ship segment and expansion of services business**

Frankfurt am Main, 26 August 2016. Deutsche Beteiligungs AG (DBAG) announced that it is investing alongside its managed DBAG Expansion Capital Fund (DBAG ECF) in R&M International GmbH (parent company of R&M Group), a provider of interior outfitting for ships and marine installations, such as cruise ships, ferries and offshore platforms. DBAG and DBAG ECF are supporting the company's management in acquiring a control interest from the present majority shareowner, the investment company NORD Holding GmbH, which acquired the company from the Bilfinger Group in early 2007. DBAG will hold approximately 16 percent in the new company, and DBAG ECF another 17 percent; DBAG will invest up to seven million euros from its balance sheet for its interest. The remaining interests (67 percent) will be held by the company's management team, several of whom have already been invested previously. The purchase agreement signed yesterday is subject to approval by the cartel authorities; the transaction is expected to be completed by late September.

The product portfolio of R&M (www.rm-group.com) encompasses the interior outfitting of ships, both new ship builds and refits, and ship maintenance. The company covers the complete value chain from engineering, project management and installation to repair service. R&M distinguishes itself from its competitors in that it also operates its own manufacturing facilities. R&M not only designs and installs the complete fit out for cabins and fittings for passenger and crew areas on board, but also partially manufactures them. The company's activities extend to nearly all parts of a ship: it fits out public areas, such as restaurants, bars, casinos and spas, as well as heating and air-conditioning, ventilation and engine rooms. R&M's focus today is on interior outfitting for cruise ships and ferries (more than two thirds of revenues), special vessels and freighters as well as the offshore market.

R&M has a 130-year corporate history. For many decades, the company was known as a services provider of insulation technology for industrial applications. R&M has been operating in marine interior outfitting for more than 55 years. In 2015, the company generated revenue of 122 million euros and employed a staff of some 550. R&M is headquartered in Hamburg. Manufacturing sites are located in Germany (Wismar, Rostock) and China (Kunshan). In addition, it has 13 project offices and service centres worldwide. R&M is one of the few providers with a presence in nearly all relevant regions around the world. Over the last five years, it has broadened its product portfolio and extended its geographical footprint to strategically important markets such as the US through add-on acquisitions of smaller companies. In a fragmented market for marine interior outfitting, R&M is one of the larger players that are in a position to drive consolidation in that market.

“R&M serves the structurally growing cruise ship market – which is an attractive aspect. A solid market position and growth opportunities through geographical expansion, a broader product range and extension of the service business constitute a good platform for a successful investment”, said Torsten Grede, Spokesman of the DBAG Board of Management, commenting on the signing. Moreover: “The industrial services business is one of the core sectors in which we have extensive investment experience.”

Ramesh Krishnan, Spokesman of the Executive Board, is one of the managing shareowners who will increase their interest in the company in conjunction with the transaction: “My colleagues and I are delighted to have won a noted and experienced partner in DBAG, whose experience and funding capabilities will support us in implementing our growth strategy.”

Deutsche Beteiligungs AG, a listed private equity company, raises closed-end private equity funds and invests alongside the DBAG funds in well-positioned mid-sized companies with potential for development. DBAG focuses on industrial sectors in which Germany’s ‘Mittelstand’ is particularly strong on an international comparison. With its experience, expertise and equity, DBAG supports its portfolio companies in implementing corporate strategies that sustainably create value. Its entrepreneurial approach to investing has made DBAG a sought-after investment partner in the German-speaking world. Assets under management or advice by DBAG amount to approximately 1.8 billion euros.

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