

Press release

Armacell continues successful international growth with new owners

- **Double-digit growth since entry of Charterhouse as ideal starting point**
- **Focus on further strengthening and expanding market position**
- **Promotion of consequent internationalization on basis of long-term global trends energy efficiency and substitution**

Luxemburg, November 30 2015 – Armacell, world leader in flexible insulation foams for the equipment insulation market and also a leading provider of engineered foams will continue its successful international growth under new ownership. The investment firms Blackstone and KIRKBI A/S have acquired the company from Charterhouse.

Armacell employs 2,600 people with 23 manufacturing plants in 16 countries on four continents. Under the approximately 3-year-ownership of Charterhouse, Armacell has achieved double-digit growth through a series of operational improvements. The company has expanded its global footprint in Asia, India and the Middle East. Furthermore, Armacell has acquired Oneflex, a leading Turkish insulation materials manufacturer, as well as the business of Industrial Thermo Polymers Limited, the leading polyethylene (PE) insulation foam manufacturer in Canada. Besides this, the company has developed manufacturing operations in Russia.

Together with Blackstone and KIRKBI, Armacell will use this strong basis to consequently drive the growth of the company forward and through the global trends energy efficiency and substitution of existing insulation material which increase the demand for Armacell's high-tech products long-term.

Patrick Mathieu, President and CEO of Armacell International S.A.: "We firmly believe that now is the perfect time to take the business to the next level. Armacell will benefit from Blackstone's international experience and expertise as we enter this next phase of growth. As such, we are delighted to partner with them going forward. Additionally, KIRKBI will be a significant financial investor which has a strong track record in sustainable development and will be a partner with high standards."

Lionel Assant, Head of European Private Equity at Blackstone about the transaction: "Armacell is a highly successful business with market leading positions led by an excellent and proven management team. We believe Armacell will continue benefiting from global trends such as energy-efficiency. The company's strong product innovation should also enable the business to continue growing in its existing and new insulation markets. We look forward to working with Patrick Mathieu and the team going forward to capitalise on further growth opportunities, both organically and through acquisitions."

Thomas Lau Schleicher, Senior Vice President, Long-Term Equity & Private Equity at KIRKBI, said: "An investment in Armacell represents an excellent co-investment opportunity alongside Blackstone, as Armacell is a global market leader with high-quality products. With its flexible insulation products, Armacell has a positive impact on the environment since equipment insulation is one of the most simple and efficient ways to save energy and reduce global CO2 emissions."

The transaction is subject to approval from the relevant antitrust authorities and is expected to close in Q1 2016.

About Blackstone

Blackstone is one of the world's leading investment firms. Blackstone seeks to create positive economic impact and long-term value for its investors, the companies it invests in, and the communities in which it works. Blackstone does this by using extraordinary people and flexible capital to help companies solve problems. Its asset management businesses, with over \$330 billion in assets under management, include investment vehicles focused on private equity, real estate, public debt and equity, non-investment grade credit, real assets and secondary funds, all on a global basis. Further information is available at www.blackstone.com.

About KIRKBI

KIRKBI A/S is a holding and investment company owned by the Kirk Kristiansen family. The company's strategic activities include a 75% ownership of the LEGO Group, a 29.9% ownership of Merlin Entertainments plc and investments in renewable energy. KIRKBI has a long-term investment profile and is a responsible investor with a high ethical standard. Further information is available at www.KIRKBI.com.

About Armacell

Armacell is a world leader in flexible insulation foams for the equipment insulation market and also a leading provider of engineered foams. In the year 2014, the company with currently 2,600 employees



generated net sales of EUR 452.2 million. With its 23 manufacturing plants in 16 countries on four continents, Armacell follows a strategy of internationalization. The company operates within two main businesses: the Advanced Insulation business develops flexible insulation foam products for the insulation of mechanical equipment. The Engineered Foams business develops and markets light foams for use in a broad range of end-markets.

The high-tech insulation products of Armacell increase the global energy efficiency and are used in many high-end facilities, including the Empire State Building and the International Space Station. They are an integral part of everyday life: beyond thermal insulation, Armacell products are used as acoustic insulation, as gaskets and seals in a variety of modern car models or as central components of wind turbine blades. For more information about Armacell, visit www.armacell.com.

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