

## PRESS RELEASE

### **Balda creates a production base in the world's largest market for medical products through US acquisition**

- **Acquisition of California-based C. Brewer Company agreed upon**
- **Strongly-performing specialist with an excellent reputation among customers in the medical sector and beyond**
- **Consistent implementation of the Balda Group's defined growth strategy**

**Bad Oeynhausen, December 21, 2012** – Balda is consistently implementing the growth strategy set out in the first half of this year through the acquisition of a US company. The manufacturer of high-quality plastic products for the medical and electronics industries has agreed to purchase 100 percent of the shares in C. Brewer Company, Anaheim, California, effective as of December 31, 2012. The acquisition strengthens Balda's medical business, in line with the buy-and-build strategy laid out for this business segment.

#### **About C. Brewer Co.**

The C. Brewer Company specializes in precision injection-molded plastics and the associated molds. The company develops and manufactures solutions for customers from the medical and optical industries in particular, but also from automotive and electronics industries. C. Brewer Co. is a single-source systems partner for the entire injection molding process. The company is increasingly focused on the production of plastic parts for highly specialized applications in the areas of medical technology and diagnostics.

C. Brewer Co. expects revenues of around USD 48 million (approx. € 37 million) for the calendar year 2012, along with clearly positive operating earnings (EBITDA). Around one-third of its revenues come from medical clients, with 50 percent coming from optics. The company was founded in 1966 and is led by the second generation of its family owners. It operates at three locations in California (Anaheim, Irvine and Ontario), employing around 500 people, and has all the relevant medical product certifications.

#### **Further details about the transactions**

- The purchase price for the acquisition totals around € 33 million, including the performance-related earn-out clause of € 3.8 million.
- The purchase price is based on a multiple of less than 7 times the expected adjusted EBITDA in 2012. The purchase will fully be

financed with the existing liquidity of the Balda Group. The vendors are the family of the founders.

- The purchase is part of the buy-and-build strategy for the medical segment. The goals are increased internationalization, expansion of the company's range of services and of its value chain, as well as attracting new customers.
- M&A International Inc. with its partner firms Angermann M&A International GmbH and Masi Ltd. acted as M&A advisor for Balda in this transaction.

**Dominik Müser, CEO of Balda AG:** "The USA is the largest healthcare market in the world. Therefore, it is of fundamental importance for the development of our group to have a presence there with our own production locations. With the purchase of C. Brewer we have acquired a injection-molded plastics specialist with well established customer relationships that display a high degree of trust. The company is located in California's medical valley with a particularly high density of healthcare customers. This gives Balda an excellent base for expansion in the USA."

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**About Balda**

Balda is a producer of high-quality plastics solutions for the medical technology and electronics markets. The company provides superior engineering services, products of the highest quality as well as a fast, flexible and tailored service for its customers. The Balda Medical segment in Bad Oeynhausen develops and produces high-quality plastics solutions for the medical technology, pharmaceutical and diagnostics markets. The Balda Group generated revenues of € 24.7 million in the short financial year 2012 (1 January to 30 June 2012) compared to € 66.3 million in calendar year 2011. The Balda share (ISIN: DE0005215107) is listed on the SDAX segment of Deutsche Börse.

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