



AURELIUS NEWSLETTER – April 2014

Dear Business Partners

I am delighted to update you on developments since January at Aurelius Group, the highlights of which include three new investments, strong financial results and good momentum in our UK business

New Investments

- Acquisition of Publicitas, an international marketing agency for advertisers. Publicitas was formerly a subsidiary of the listed Switzerland-based PubliGroupe, a leading international provider of marketing and media sales, and generated gross revenues of over EUR 657
- Acquisition of Individual Desktop Solutions (IDS), a subsidiary of T-Systems International. IDS delivers on-site desktop services and solutions through 630 employees at 36 locations generating revenues of EUR 80 million
- Completion on the acquisition of the IT Consulting activities of Telvent Global Services in Spain and South America from Schneider Electric

Financial Results

- Aurelius Group published its 2013 results in March with the following highlights:
 - Consolidated revenues rose to EUR 1,525.2m (up 11%) thanks mainly to acquisitions
 - Operating EBITDA totalled EUR 106.2m
 - Positive outlook: effects on results and cash from company disposals in double-digit million euro range in Q1 2014
 - Cash and cash equivalents of EUR 223.9 million at 31 December 2013
 - Our CEO commented that: “The market for company acquisitions in our niche remains highly lucrative. We are looking forward to several transactions on both the buying and selling side over the coming months”

UK Activities

- Office move, with team based at iconic address of No.1 Savile Row, London W1S 3JR
- Appointment of Legal Counsel, Kimberley Whitaker, who joined from Sky
- Commencement of an intern programme
- Appointment of Instinctif, the international business communications consultancy, to work with us in building our media profile and with communications to financial and management audiences
- UK website designed, with launch pending

Commentary on Aurelius’ UK activities in Private Equity News (7 April):

- Our growth plans “If we find the deal flow I’d expect us to hire quite aggressively in the coming years”
- Our market appetite “The reason we like investing in the U.K. is the scale of the opportunity, [and] the number of investable businesses in the market”
- Our CEO’s move to London “Our investor base is predominantly in the U.S. and U.K., so it’s very helpful for Dirk to be closer to them... he wants to rebalance the business to give it a far greater U.K. nuance”

Aurelius

Aurelius Group is a EUR900m publicly traded holding company with over 10,000 employees. We have offices in Munich and London and businesses operating on a Pan-European basis. As an active investor with a long-term investment horizon, we are seeking European corporate spin-offs and medium-sized enterprises with one of the following characteristics:

- Growth potential given close operational assistance
- Below-average profitability and/or need of restructuring
- Synergies to existing platform investments

We are targeting companies with revenues between £25m and £750m and EBITDA margin up to 10% (by exception even negative). Equity investments range from £1 to £50m and we would typically all-equity fund deals. We are open-minded on acquisition structures in order to accommodate a seller's requirements. We have considerable experience in the following sectors: Industrials, Chemicals, Business Services, Consumer (including food & beverages) and TMT

Aurelius Investments

Aurelius Investments is the UK office of Aurelius Group, and has been operational for more than four years. We are a six person team focused on sourcing, executing and managing investments across the UK & Ireland. Located in Savile Row, London (see below our new office location), we have completed half a dozen transactions to date and current UK investments are in the chemicals, IT services and manufacturing sectors



If you have an interesting opportunity you'd like to discuss, we would be glad to hear from you

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