

## Press release

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### **PAI Partners and Goldman Sachs agree sale of the Xella Group to Lone Star**

Duisburg, December 1, 2016 **Today, PAI Partners (“PAI”) and Investment Funds managed by the Merchant Banking Division of Goldman Sachs (“Goldman Sachs”), both leading European private equity firms, announced the sale of the Xella Group (“Xella” or “the Company”), a leader in building solutions, to an affiliate of Lone Star. Closing of the transaction is expected for the first half of 2017. The terms of the deal are not disclosed.**

Xella is the world’s largest manufacturer of aerated concrete blocks, calcium-silicate units, and high-performance boards. Furthermore, it is a local leader in lime and limestone. Under its key product brands Ytong, Hebel, Silka, Multipor, Fermacell, and Fels, Xella provides state-of-the-art solutions for energy efficient construction activities and mined minerals. Headquartered in Germany, Xella operates 96 production plants in 20 countries and employs over 5,900 employees globally.

Lone Star is a leading private equity firm that invests globally in real estate, equity, credit and other financial assets.

Donald Quintin, Senior Managing Director at Lone Star, said “Over the past several months, we have had the opportunity to gain a strong understanding of Xella and to appreciate the strength and experience of the company’s management team. We look forward to working with Xella as it continues to enhance its industry leadership position.”

Dr Jochen Fabritius, CEO of the Xella Group: “Xella has developed very positively especially in recent years. After a strategic realignment and the successful completion of a cost reduction program, Xella has embarked on a very positive volume and price growth trajectory. We thank PAI and Goldman Sachs for their continued support and the trustful collaboration during their ownership. The company and its management now look very much look forward to starting the next chapter of Xella together with Lone Star.”

Dr Mirko Meyer-Schönherr, Partner at PAI Partners, said: “We are delighted to have partnered with Xella and supported its development over the last few years. Xella is in a good position to continue to grow and to strengthen its position in the European building materials market. We wish everyone at the company success over the years ahead.”

Dr Martin Hintze, Managing Director at Goldman Sachs, said: “The management has done exemplary work, strengthening the organization and laying the groundwork for a successful path going forward. The acquisition of the Xella Group by Lone Star is a testimony to the company’s great prospects, and we wish Xella Group, its management team, and all employees all the best on the road ahead.”

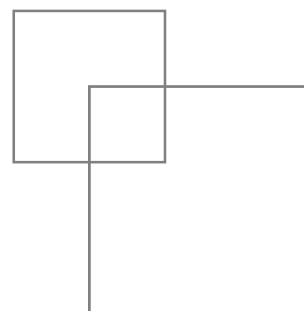
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### About Xella

Xella Group is a leading, internationally operating solution provider of building materials and related industries, with revenue of 1.3 billion euro, EBITDA of 271 million euro (LTM Sep 2016) and over 5,900 employees.

Xella is headquartered in Duisburg/Germany. With 96 plants in 20 countries and sales organizations in more than 30 countries, Xella is a truly international group.

The success of Xella is based on strong brands in the premium segment (e.g., Ytong or Fermacell), a superior performance portfolio, a solid business model, and systematically expanded cost leadership.

Xella’s products are sustainable both in manufacture and use. Therefore, they make an important contribution to the construction of energy-efficient, high-quality buildings, and consequently to environmental protection and the conservation of resources.

Xella is led by an experienced management team consisting of Dr. Jochen Fabritius (CEO) and Jürgen Wiecha (CFO). Peter Steiner is acting Chairman of the Management Board.

Further information on Xella Group can be found on the internet at: [www.xella.com](http://www.xella.com)

### **About PAI Partners**

PAI Partners is a leading European private equity firm with offices in Paris, London, Luxembourg, Madrid, Milan, Munich, New York and Stockholm. PAI manages €8.3 billion of dedicated buyout funds. Since 1994, the company has completed 61 transactions in 11 countries, representing c. €41 billion in transaction value. PAI is characterized by its industrial approach to ownership combined with its sector-based organization. They provide the companies they own with the financial and strategic support required to pursue their development and enhance strategic value creation. [www.paipartners.com](http://www.paipartners.com)

### **About Goldman Sachs**

The Merchant Banking Division (“MBD”) is the primary center for Goldman Sachs’ long term principal investing activity. Goldman Sachs has operated this business as an integral part of the firm for 30 years. The group invests in equity and credit across corporate, real estate and infrastructure strategies.

Since 1986, the group has raised over \$145 billion of levered fund capital to invest across a number of geographies, industries and transaction types. With nine offices in seven countries around the world, MBD is one of the largest managers of private capital globally, offering deep expertise and long-standing relationships with companies, investors, entrepreneurs and financial intermediaries around the globe.

### **About Lone Star**

Lone Star is a leading private equity firm that invests globally in real estate, equity, credit and other financial assets. Since the establishment of its first fund in 1995, Lone Star has organized seventeen private equity funds (the “Funds”) with aggregate capital commitments totaling over \$70 billion. The limited partners of the Funds include corporate and public pension funds, sovereign wealth funds, university endowments, foundations, fund of funds and high net worth individuals.

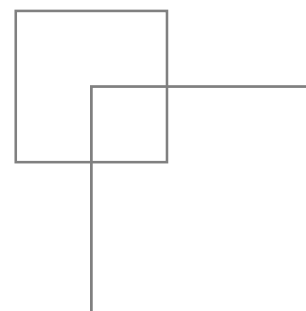
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Any offer will be made exclusively on the basis of a prospectus which is to be published.

No money, securities, or other consideration is being solicited, and, if sent in response to the information contained herein, will not be accepted.

This press release contains forward-looking statements. These statements are based on the current views, expectations, assumptions and information of the management of Xella International S.A. Forward-looking statements involve known and unknown risks and uncertainties and, therefore, should not be construed as guarantees of future results,



performance and events. Actual results, performance or events may differ materially from those described in such statements due to, among other things, changes in the general economic and competitive environment, risks associated with capital markets, currency exchange rate fluctuations, changes in international and national laws and regulations, in particular with respect to tax laws and regulations, affecting Xella International S.A., and other factors. Xella International S.A. does not undertake any obligation to update any forward-looking statements.

