

## **PRESS RELEASE**

**To boost its expansion  
CLESTRAL is acquired by its managers in a Management Buyout  
backed by AtriA Capital Partenaires**

Paris, July 13<sup>th</sup>, 2001

The Clestral Group announces the completion of a management buyout by its management team backed by AtriA Capital Partenaires.

### **The Group**

The CLESTRAL Group, with a staff of 200 people and total sales of €35.7 Million in 2000 (+31%) is the world's leading manufacturer of twin screw extrusion equipment for the food and feed industry. It also has a strong position in the plastics and chemical industry as well as in the paper pulp processing industry. Located in Firminy, near Saint Etienne (France), Clestral was founded in 1956 and is a pioneer of the twin screw extrusion technology applied to the food and feed processing industries. Clestral today does 70% of its business outside France, through its U.S. subsidiary (Clestral, Incorporated), its Asia-Pacific Representative office in Singapore and its network of agents in more than 30 countries.

### **Markets and competition**

The Twin Screw Extrusion technology, developed by Clestral over more than forty years, offers the advantages of a continuous process, flexible and easy to automate and enables the production of mixes and sophisticated products with higher added value compared to other traditional processes.

Clestral's extruders are designed mainly for the food and feed processing industry, notably for human food (breakfast cereals, snacks, filled biscuits, flat bread, TVP, fibered proteins, confectionery, instant drinks and soups, baby foods,...), animal feed (dog and cat food, fish feed) and ingredients (modified starch, caseinates, flavours,...)

Thanks to its recognised process expertise Clestral maintains close and long lasting relationships with international research centres and universities.

These qualities have enabled Clestral to supply equipment to the largest international food and feed manufacturers and to maintain its position of world leader on this market.

Simultaneously, Clestral has developed continuous mixing-kneading-reactor twin screw extruders for the plastics and chemical industry, as well as a unique process dedicated to the paper pulp processing industry.



### **Management**

The buy-out team, headed by Georges Jobard (Engineering degree from Graduate School of Aeronautics), Managing Director of the Group since 1992, includes the top managers of the Group in France and abroad.

The management team now holds a significant equity stake in the Group.

### **The transaction**

The buy-out of Clestral from the FRAMATOME Group was led by AtriA Capital Partenaires, one of the leading French private equity players focused on middle market companies, which structured and arranged the financing of the deal, in partnership with IDIA Participations. Post transaction, the fund managed by AtriA Capital Partenaires is the main shareholder of the Group with a 43% equity stake, with two equity co-investors, besides the management, IDIA Participations, the Crédit Agricole bank's investment structure for middle market companies, and Gimeca, the capital-investment branch of the French Federation of Mechanical Industries (F.I.M.). Crédit Lyonnais and Société Générale arranged the senior debt for this transaction. Lastly, AtriA Capital Partenaires plans to set up an employee shareholding scheme, so that the whole staff will be associated with this project.

The transaction financing secured by AtriA Capital Partenaires, based on Clestral's sound financial structure, aims at supplying Clestral with the means to achieve its ambitious development plans.

### **Strategy and outlook**

The management team, continuing its recent development trend, has set itself a new challenge : to double the Group's business within the next five years by reinforcing its position in all branches of its activity. To consolidate its position as world leader on the food-processing market, Clestral will also develop market segments or products not covered at present, both by organic and external growth, as necessary.

For Georges Jobard, the new Chairman of the Clestral Group, the dynamic nature of this project enhances the motivation of Clestral's teams and paves the way for a wider range of products. "To sum up, we aim to always improve our customers' satisfaction as their confident relationship with us is a major factor in our success. The reputation and financial strength of AtriA Private Equity Fund, one of whose main investors is UI (a subsidiary of Crédit Agricole), and of IDIA Participations, will reinforce this confidence and allow us to progress."

### **Press enquiries:**

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## Appendix 1

### AtriA Capital Partenaires

AtriA Capital Partenaires was founded in 1999 by the former team of CFI, one of the oldest French private equity firms, to invest in middle market companies (€15m to €150m turnover) either in leveraged buyout (LBO) or development capital transactions.

AtriA Capital Partenaires manages €200m of capital for institutional investors through both CFI (which it advises) and AtriA Private Equity Fund, a closed fund.

AtriA Capital Partenaires operates with nine investment professionals and is controlled by its management team. Its independence enables a rapid decision process on each investment opportunity.

AtriA Private Equity Fund was raised with capital provided by sponsors UI and Capital Z Investments, a range of leading French and international institutions and a number of entrepreneurs.

Since its first investments in the second quarter of 2000, AtriA Private Equity Fund has invested, among others, in the following transactions:

- **Bel'm**, leading French manufacturer of high-end front doors (turnover €27.4 million, CEO : Yann Rolland, LBO).
- **Rivard**, one of the main manufacturers of trenchers and sewer cleaning vehicles (turnover €28.2 million, CEO : Désiré Renaud, spin-off from Trouvay & Cauvin in an LBO transaction).
- **Pelé**, French granite processing specialist for tombstones and the building industry (turnover €36.6 million, CEO : Mr. Jean-Luc Hennebelle, LBI).
- **Texavenir**, French leader in insurance claim assessment (turnover €40.4 million, CEO : Christian de BELAIR, build-up financing).
- **Multipap**, a major French player in securitised printing (turnover €64 million, CEO: Maurice Papot, build-up financing).
- **Métal Déployé – Krieg & Zivy Industries**, world leader in wire-mesh cable trays (turnover €90.5 million, CEO : Xavier de Froment, spin-off from Vallourec in an LBO transaction).
- **Clextral**, world leader in twin screw extruders for agro-applications (turnover €35.6 million, CEO : Georges Jobard, spin-off from Framatome in an LBO transaction).

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## Appendix 2

### The CLEXTRAL Group

<b>President of the Management Board</b>	<b>Georges Jobard</b>
<b>Members of the Management Board</b>	<b>J.M. Bouvier / C. Travaglini</b>
<b>Staff (France + USA + Singapore)</b>	<b>200 people</b>
<b>Sales outside France</b>	<b>70%</b>

#### **Clextral offers 4 lines of products for different markets :**

- ⇒ Twin-screw extrusion systems for the food industry
- ⇒ Twin-screw systems for the paper pulp processing industry
- ⇒ Twin-screw mixing and kneading extruders and associated lines for the plastic and chemical industry
- ⇒ Dosing pumps and associated equipment for the oil, gas ,chemical, food, and nuclear industries

#### **Clextral key-figures:**

- ⇒ More than 1 300 twin-screw systems installed in 65 countries
- ⇒ 16 000 pumps delivered world-wide
- ⇒ A fully equipped engineering structure mastering the design of complete processing lines
- ⇒ A 3,300 sq.m. Test Plant in Firminy : unique in the world with 6 twin-screw extruders, ancillary equipment and a laboratory to complete development tests with customers and perform in-house R&D on three applications: food & feed, plastic & chemical and paper pulp.
- ⇒ A 1,000 sq.m. Test Plant in Tampa, Florida, USA
- ⇒ A Representative Office in Singapore
- ⇒ A network of Agents in 30 countries

#### **Clextral and Partnership**

In order to complete its various research and development work, Clextral has succeeded in surrounding itself, since the beginning, with scientific and technical competencies in its different fields of application. The R&D partners include major international universities, French technical research centres, ...

## **Clextral in the world**

Clextral is commercially represented in 65 countries on the five continents.

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