

## PRESS INFORMATION

### **VARTA Microbattery GmbH sold to Austrian Investment House Global Equity Partners**

Vienna, 23 February 2007: After having terminated the negotiations for the purchase of VARTA Microbattery GmbH (VARTA) between VEG Beteiligungs GmbH, a Global Equity Partners Beteiligungs-Management AG (GEP) group company, and VARTA AG by the end of October 2006, the deal was successfully finalized yesterday.

With this closing, VEG Beteiligungs GmbH acquires 100% of the VARTA Microbattery section with activities in the microbattery and mini storage battery field for miniaturized electronic applications. The purchase price for this highly innovative company with multiple prize awards amounts to EUR 30 million.

„This transaction will add enormously to the awareness level for our company in Germany and opens us the doors for further interesting investment alternatives in Germany, Switzerland and Austria. In our function as an active partner, our objective is to look after this manufacturing company in the years to come and to expand its position in the industry it is active in”, says Herbert Roth, member of the GEP Management Board.

The input to be derived from the GEP group shall affect both the strategic as well the operative spheres. Two new managing directors will support VARTA Microbattery GmbH's management by further expanding and promoting the strengths of the company already in place. An innovation programme to be set up in collaboration with acknowledged experts in its industry will constitute an important pillar for its future success.

Austrian input will also be shared by VARTA Microbattery GmbH's Supervisory Board. In addition to a number of other experts, Georg Prilhofer, a long-term member of the VARTA Microbattery GmbH Supervisory Board, and GEP CEO Michael Tojner will be represented in this body.

„Together with the management already present, the core items of the investment strategy will be to strengthen the Ellwangen location, to optimize the distribution channels and to improve the in-house operational procedures. This measurements should double the sales volume and increase the profitability considerably over the coming five years”, says Herbert Roth.

„The active approach in looking after the company, the sound and targeted encouragement of its high innovative potential as well as the attention to maintain the continuity in all segments of the company give us reason to expect a positive development. We succeeded in convincing Georg Prilhofer to join the Supervisory Board and believe that his engagement as well as the strengthening of the management team will enable us to achieve our ambitious company objectives”, adds Michael Tojner.

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### **VARTA sets new standards in the micro battery field**

VARTA Microbattery GmbH occupies a worldwide leading position in the hearing aid battery as well as in the rechargeable micro battery (secondary battery) field. For this purpose VARTA relies on the further development of the lithium polymer technology. Batteries of this type have enormous advantages, such as a higher energy density, smaller size as well as a large extent of liberty as far as shape is concerned.

VARTA Microbattery GmbH concentrates on the further trend of the worldwide micro battery business. As a company standing for quality and innovation, VARTA has been the only European manufacturer maintaining its position against competition from Asia and continues providing important impulses for further development. This is confirmed by the positive development of business as well as by the large number of prize awards won in the last few years, such as e.g. the "Design Prize 2006" and many others.

VARTA Microbattery GmbH has manufacturing facilities located in Ellwangen and in Asia and commands the worldwide distribution network of a global player. With a worldwide staff of 1400 persons employed, a sales volume of EUR 133.5 million and an EBIT of EUR 7 million have been generated in fiscal year 2006.

### **GEP – a strong strategy partner**

For GEP, the Central European investment house, taking over VARTY Microbattery GmbH constitutes a strong presence on the German market. VARTA's German quality image, its good position in the market for hearing aid batteries (worldwide No. 2), excellent technical manufacturing facilities as well as a good network with the Graz Technical University convinced GEP as an investor.

### **A vision shared for the future**

An expanded distribution in the Asian and the US market, the development of new products and applications, the optimization of in-house operational procedures and the increase of the sales volume through organic growth and strategic acquisitions will constitute the challenges for the near future. In the lithium batteries field the replacement of Li-Ion by lithium polymer is under preparation.

### **On Global Equity Partners Beteiligungs-Management AG**

GEP is a Central European investment house which has been managing investment companies since 1998. Up-to now, institutional investors from Austria, Germany and Switzerland have made available over EUR 250 million in investment capital. GEP's investment focus lies in the areas venture capital, private equity and real estate. Recently, long term targeted investments with focus on manufacturing industries have been added; this

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activity is to be expanded further in the future. A structure and strategy plan to this effect will be presented within the next few months.

Further information: [www.gep.at](http://www.gep.at)

### **Herbert Roth – Member of GEP’s Managing Board**

Herbert Roth is a member of the Management Board of GEP, concentrating his responsibility on major size investments in the area of manufacturing industries and Mittelstand, the small and medium sized enterprise sector.

Born in Upper Austria, he studied business management at the Vienna University of Economics and Business Administration. Steps in his career were Alu König Stahl, Caldech Hong Kong Ltd and the SEELE Group of Hong Kong and Singapore. As of 2003, Herbert Roth’s responsibility is his function in the GEP Management Board. In this function Herbert Roth has a leading role in the acquisition of VARTA Microbattery GmbH, and, with his long term experience in manufacturing industries, he will also personally support the company in matters of strategy.

#### **Further information:**

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