

Blackstone and KIRKBI to acquire Armacell

30 November 2015: Private equity funds managed by Blackstone and KIRKBI A/S announce the acquisition of Armacell, the leading global manufacturer of flexible foam products for equipment insulation and technical applications, from Charterhouse.

The company operates within two main businesses, Advanced Insulation and Engineered Foams. The Advanced Insulation business develops flexible foam products for the insulation of mechanical equipment in a range of end markets where energy distribution is required, such as commercial and residential construction, industrial applications, and the oil and gas industry. The speciality insulation products are primarily used for air conditioning and plumbing pipes. The second division focuses on speciality light Engineered Foams for use in automotive and sports applications as well as medical and industrial uses.

With regional headquarters in Germany, North Carolina and Singapore, Armacell has a recognised global footprint with over 2,600 employees worldwide operating across 23 manufacturing plants in 16 countries and 4 continents. The experienced management team will continue to be led by Patrick Mathieu who has over 25 years' experience in the sector and Chief Executive of the business since 2012.

Patrick Mathieu, Chief Executive Officer of Armacell, said: "We firmly believe that now is the perfect time to take the business to the next level. Armacell will benefit from Blackstone's international experience and expertise as we enter this next phase of growth. As such we are delighted to partner with them going forward."

Lionel Assant, Head of European Private Equity at Blackstone, said: "Armacell is a highly successful business with market leading positions led by an excellent and proven management team. We believe Armacell will continue benefiting from increasing trends such as global energy-efficiency. The company's strong product innovation should also enable the business to continue growing in its existing and new insulation markets. We look forward to working with Patrick and the team going forward to capitalise on further growth opportunities, both organically and through acquisitions."

Thomas Lau Schleicher, Senior Vice President, Long-Term Equity & Private Equity at KIRKBI, said: "An investment in Armacell represents an excellent co-investment opportunity alongside Blackstone, as Armacell is a global market leader with high-quality products. With its flexible insulation products, Armacell has a positive impact on the environment since equipment insulation is one of the most simple and efficient ways to save energy and reduce global CO2 emissions."

The transaction is expected to close in Q1 of 2016 and is subject to usual closing conditions and regulatory approvals.

Lazard and HSBC acted as advisors to Blackstone.

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About Blackstone

Blackstone is one of the world's leading investment firms. We seek to create positive economic impact and long-term value for our investors, the companies we invest in, and the communities in which we work. We do this by using extraordinary people and flexible capital to help companies solve problems. Our asset management businesses, with over \$330 billion in assets under management, include investment vehicles focused on private equity, real estate, public debt and equity, non-investment grade credit, real assets and secondary funds, all on a global basis. Further information is available at www.blackstone.com. Follow Blackstone on Twitter @Blackstone.

About KIRKBI

KIRKBI A/S is a holding and investment company owned by the Kirk Kristiansen family. The company's strategic activities include a 75% ownership of the LEGO Group, a 29.9% ownership of Merlin Entertainments plc and investments in renewable energy. KIRKBI has a long-term investment profile and is a responsible investor with a high ethical standard. Further information is available at www.KIRKBI.com.

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