

PRESS RELEASE

New owner for Formel D: 3i invests in Formel D

Path set for continued growth

Troisdorf, May 12th, 2017 - Deutsche Beteiligungs AG (DBAG), Frankfurt, as well as DBAG Fund V, the private equity fund managed by DBAG, sold their shares in the Troisdorf-based Formel D GmbH on May 12th, 2017, to 3i Group plc ("3i"), who is now the new principal shareholder of the company. Formel D is a globally active service provider for the automotive industry, specializing in quality management and quality assurance. The contractual parties have agreed to keep the sale price confidential. Completion of the transaction is subject to the consent of the responsible competition authorities.

3i is an investment company with two complementary businesses, Private Equity and Infrastructure, specialising in core investment markets in Northern Europe and North America. 3i provides investment solutions for growing companies, providing access to its network and expertise to accelerate the international growth of companies.

Formel D's long-standing management team, with many years of experience will also remain co-shareholders under the new principal shareholders. Managing Director Claus Niedworok: "In 3i, we have a strong owner on board, with whom we can continue to successfully drive forward our global growth strategy." Ulf von Haacke, Partner & Head of Industrial at 3i Germany, commented: "We are really excited to be working with Formel D. While it has already built a global presence, 75% of revenue still comes from within Europe, so there is clear potential for the business to grow with its existing

clients in the US and Asia. In this fragmented market, we see ample growth opportunities through M&A.”

Formel D handles quality assurance of products and processes for the automotive industry along the entire value chain. The company, which was founded in 1993 and has its headquarters in Troisdorf near Cologne, is represented at more than 80 locations in 19 countries and active in all relevant automotive markets. Its customers include both vehicle manufacturers and supplier companies across the globe. In 2016, more than 7,000 employees generated a turnover of around 255 million euros. In 2012, sales still stood at 124 million euros. Claus Niedworok, who manages the company together with Dr. Holger Jené and Dr. Jürgen Laakmann: “Since coming on board, DBAG has successfully supported us in achieving our current market position. At the same time we have systematically aligned our processes and structures towards further growth. But this growth must also be based on secure and reliable financing in future. For that reason, 3i is the ideal shareholder for us, who will support our strategy and continue to write our success story.” As a leading player in the market for quality services in the automotive industry, the company sees itself well-positioned to profit from the expected consolidation processes in the industry.

Employees and customers will not be affected by the change in ownership, and there are no changes in terms of business sectors or contact persons. Our focus will continue to be on product development, production, and aftersales. Managing Director Dr. Holger Jené: “We support our customers in ensuring that vehicles and components are market-ready and provide implementation and optimization of service processes.” For example, Formel D ensures that the necessary steps are taken as early as the development phase so that once a vehicle or component has completed testing, production can take place in a fault-free and process-optimized way. This includes, among other things, managing entire test vehicle fleets, carrying out test drives, or fully operating test centers.

In production, Formel D, first of all, ensures the quality of the manufactured products with a tailored service solution and, secondly, an optimal flow of production processes. And this not only applies on the vehicle manufacturer's side, but the suppliers' side too: supplier selection, qualification and development are also part of the service profile. During critical project start-ups or in case of supplier issues, Formel D is able to offer the required resources and solutions at short notice, for example to overcome a lack of vehicles, components, or processes. In the area of aftersales, Formel D's services include reworking and refitting of new vehicles prior to delivery, standardized and individual service training, or management of warranty cases.

In future, there is additional, unexploited potential among existing customers who currently use only parts of the broad service portfolio. Dr. Jürgen Laakmann, Managing Director of Formel D: "We have also been very successful in acquiring new customers in recent years. We will focus on both fields of action, cross selling and customer development. The market still has great potential for us, and the new ownership structure offers optimal framework conditions for leveraging it to achieve growth."

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