

P R E S S R E L A S E

Deutsche Beteiligungs AG invests in medical engineering company Polytech Health & Aesthetics GmbH

- **Provider of high-quality silicone implants**
- **Succession arrangement in family-owned business through management buyout**
- **Growth through international expansion with quality products “made in Germany”**

Frankfurt am Main, 8 September 2016. Deutsche Beteiligungs AG (DBAG) announced that it is investing alongside its advised DBAG Fund VI in Polytech Health & Aesthetics GmbH (Polytech), a provider of high-quality silicone implants. DBAG and DBAG Fund VI will acquire a majority interest in Polytech in a management buyout (MBO); DBAG will hold approximately 18 percent in the company and DBAG Fund VI about 76 percent. Polytech’s management will acquire the remaining shares. The vendor is company founder Wilfried Hüser. The parties to the contract, which was signed on Tuesday, agreed not to disclose the purchase price. DBAG will invest up to twelve million euros from its balance sheet for its interest. The transaction is contingent on approval by the cartel authorities, and the agreement is expected to be completed within the next six weeks.

Following the investments in telecommunication and software provider Telio in December 2015 and Frimo, a tooling and plant provider, in August 2016, Polytech is the third management buyout that DBAG structured alongside DBAG Fund VI in its current 2015/2016 financial year. Polytech is the tenth investment entered into by DBAG Fund VI, which, subsequent to this transaction, is now invested in excess of 75 percent.

Polytech (www.polytechhealth.com) is a leader in the development and production of silicone implants in Europe. Polytech, the sole German manufacturer of such products, specialises in breast implants used in reconstructive and aesthetic plastic surgery. The implants are manufactured exclusively at the company’s domicile in Dieburg (near Frankfurt, Germany) under clean-room conditions, where its staff of 170 work in development, production, quality control and distribution.

For the current year, Polytech has forecast revenue of more than 30 million euros, about half of which is achieved in Germany and the rest of Western

Europe. The products are increasingly sold worldwide, currently in over 70 countries. Polytech's highly successful market penetration is mirrored in its annual growth of nearly 30 percent in the past three years. That expansion is based on production in Germany, which conforms to highest quality standards, as well as on the company's innovative capacity. For instance, Polytech has developed surface textures that have been shown to contribute significantly to a reduction in complication rates. In view of the very positive response among surgeons and patients to implants "made in Germany", Polytech considerably expanded its distribution activities in recent years. The company has obtained accreditations and certifications for its medical devices in many countries. Polytech serves a growth market that is expected to increase worldwide by an annual rate of some six percent in the coming years. Growth drivers come from rising prosperity, demographic transition in industrialised countries and culture change, which are leading to greater acceptance of reconstructive and aesthetic plastic surgery.

"Innovative products and highest quality standards are the prime reasons for Polytech's successful growth. We intend to support the company in consistently focusing on the medical-technical advancement of the implants as well as on its excellent 'made in Germany' manufacturing quality, and see sustainably high demand for these products globally," said Dr Rolf Scheffels, member of the Board of Management of Deutsche Beteiligungs AG, commenting on the signing. Moreover: "It is a great pleasure for us to have settled the succession issue in this family business by way of a management buyout. This again is proof of our outstanding position in Germany's 'Mittelstand'." Of DBAG's ten most recent MBO's, Polytech is the fourth company that was previously family-owned.

"Polytech is about to embark on the next stage of its development," said company founder Hüser. "It is important to me that the company remains autonomous in this phase and that it takes this next step with the support of a shareowner who is experienced in developing mid-market companies." Hüser will remain tied to the company in an advisory capacity and intends in particular to drive its international expansion.

General Manager Wolfgang Steimel underscored: "Polytech is an entrepreneurial success story and has positioned itself internationally in the past years. In the new constellation, we plan to focus on our key success factors of innovation and quality, and thereby maintain our growth dynamism."

Deutsche Beteiligungs AG, a listed private equity company, initiates closed-end private equity funds and invests alongside the DBAG funds in well-positioned mid-sized companies with potential for development. DBAG focuses on industrial sectors in which Germany's 'Mittelstand' is particu-

larly strong on an international comparison. With its experience, expertise and equity, DBAG supports the portfolio companies in implementing corporate strategies that sustainably create value. Its entrepreneurial approach to investing has made DBAG a sought-after investment partner in the German-speaking world. Assets under management or advice by the DBAG Group amount to approximately 1.8 billion euros.

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