

ARDIAN



PRESS RELEASE

ARDIAN ACQUIRES ADA COSMETICS FROM THE CARLYLE GROUP

Europe's leading provider of hotel cosmetics to focus on international growth following Ardian's investment

Frankfurt am Main / Kehl am Rhein, July 24, 2014 – Ardian, the premium independent private investment company, announces today that it has agreed to acquire ADA Cosmetics International GmbH from The Carlyle Group. ADA Cosmetics is Europe's leading manufacturer of high-quality hotel cosmetics.

This is the eighth investment from Ardian's Expansion Fund III, which closed in March 2014 at €500 million. The management of ADA Cosmetics has again taken a minority stake in the company as part of the transaction, which is subject to approval by the antitrust authorities.

ADA Cosmetics was founded in 1979 in Kehl, Germany. It manufactures and sells high quality personal care products such as shampoo, body lotion and soap for the hotel industry. Products are sold under ADA Cosmetics' own *Naturals*, *Pure Herbs* and *Hydro Basics* brands. The product range also includes hotel cosmetics products from leading international brands including Chopard, Bulgari and Trussardi. The business model is based on high quality standards and longstanding customer relationships which generate repeat revenues.

ADA Cosmetics' customer base is largely three to five star hotels and hotel chains, as well as airlines and cruise ships. Since 2010, ADA Cosmetics has grown consistently, with sales of €53 million expected in 2014. With around 300 employees and seven subsidiaries in Europe, Asia and the Middle East as well as a global distribution network, ADA supplies nearly 15,000 customers in more than 50 countries. The majority of sales are generated in the DACH region and France.

Working together with Ardian, the management intends to drive the company's growth across Europe, Asia and the Middle East. In 2013, ADA Cosmetics secured a contract with a renowned Chinese hotel chain and generated 7% of its sales in the Asian hotel market. In Europe the company recently entered the UK market. In addition, Ardian and ADA Cosmetics intend to take advantage of further growth opportunities by way of a bolt-on acquisition strategy. The product range and associated designs will be expanded, while new distribution channels will also be launched.

Wilhelm B. Könning, CEO of ADA Cosmetics, said: "In the past four years, we have significantly expanded our position as market leader for high quality hotel cosmetics in Europe, achieving a market share of 35% in the key German speaking region.

“Together with Ardian, we now want to strengthen our position in the wider European and Asian markets using our innovative products. In the medium term, we are considering establishing local production facilities in Asia to serve markets in the region. We have ambitious plans and are confident that we have the right partner in Ardian to implement our growth strategy.”

Dirk Wittneben, Managing Director at Ardian, added: “With its innovative and high quality product range, ADA Cosmetics is in a strong position in the European market and has great potential to grow further internationally. The company’s management team, which we have known and respected for several years, has developed ADA Cosmetics into an exceptional business over the past few years.

“We have full confidence in the management and the growth strategy it has developed, which focuses both on organic growth and targeted business acquisitions. In addition to our financial investment, we look forward to supporting the company’s expansion with our local teams and networks in all relevant markets.”

ABOUT ADA COSMETICS INTERNATIONAL

Founded in Kehl, Germany, in 1979, ADA Cosmetics is a leading international manufacturer of high-quality hotel cosmetics and accessories. The assortment comprises a large portfolio of in-house brands, ecologically conscious products, renowned international designer brands as well as innovative dispenser solutions and accessories. The Company has a state-of-the-art production facility and operates across all aspects of the value chain, including R&D, design, production, logistics and sales and marketing. Today, ADA serves more than 15,000 customers through a worldwide sales and distribution network in more than 50 countries. The Company focuses on three, four and five star hotels and hotel chains, such as the famous Brenners Park Hotel & Spa in Baden Baden, the Etihad Towers in Abu Dhabi and the Badrutts Palace in St. Moritz as well as premium hotel chains such as Relais & Chateaux, Steigenberger and Mövenpick. Further information at www.ada-cosmetics.com

ABOUT ARDIAN

Ardian, founded in 1996 and led by Dominique Senequier, is a premium independent private investment company with assets of US\$47bn managed or advised in Europe, North America and Asia. The company, which is majority-owned by its employees, keeps entrepreneurship at its heart and delivers investment performance to its global investors while fuelling growth in economies across the world. Ardian’s investment process embodies three values: excellence, loyalty, entrepreneurship.

Ardian maintains a truly global network, with more than 330 employees working through ten offices in Paris, London, New York, Beijing, Frankfurt, Jersey, Luxembourg, Milan, Singapore and Zurich. The company offers its 300 investors a diversified choice of funds covering the full range of asset classes, including Fund of Funds (primary, early secondary and secondary; mandates), Direct Funds

including Infrastructure, Expansion, Mid Cap Buyout, Innovation & Growth, Co-Investment and Private Debt.

ABOUT THE CARLYLE GROUP

The Carlyle Group (NASDAQ: CG) is a global alternative asset manager with \$199 billion of assets under management across 120 funds and 133 fund of funds vehicles as of March 31, 2014. Carlyle's purpose is to invest wisely and create value on behalf of its investors, many of whom are public pensions. Carlyle invests across four segments – Corporate Private Equity, Real Assets, Global Market Strategies and Solutions – in Africa, Asia, Australia, Europe, the Middle East, North America and South America. Carlyle has expertise in various industries, including: aerospace, defense & government services, consumer & retail, energy, financial services, healthcare, industrial, real estate, technology & business services, telecommunications & media and transportation. The Carlyle Group employs more than 1,600 people in 38 offices across six continents. Web: www.carlyle.com

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