



Press release

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iXEN supports Axa Private Equity in its buyout of the Gerflor group

iXEN is supporting Axa Private Equity in its €310 million buyout of the Gerflor group alongside the management team headed by Bertrand Chammas. Axa Private Equity will acquire a majority stake in Gerflor and will be supported by iXEN, Barclays Private Equity and ICG.

Gerflor manufactures and distributes vinyl flooring for business and residential use. Its head office is in Villeurbanne in the Rhône department of France. The group employs more than 1,900 people worldwide and has seven production plants including three in France (Tarare, St Paul Trois Châteaux and Grillon), and one each in Ireland (Carrickmacross), Germany (Troisdorf), China (Changshu, which became operational at end 2006) and Thailand. 2005 sales totaled €336 million and 2006 sales are estimated at over €350 million.

Gerflor's core business areas are Contracts (hospitals, schools, housing, industry, etc.), Transport (buses/coaches, aircraft and trains), Sports (tennis, handball, badminton, volleyball, multi-purpose halls, etc.) and Residential. It has leading positions in most of its market segments.

Gerflor's strengths lie mainly in its dedicated sales force by core business (over 300 sales representatives), its marketing approach (referral marketing, marketing by segment/distribution network), its well-known brand names and innovative capability (Taraflex®, Mipolam®, Texline®, HQR®, etc.). The markets in which the group operates are also highly demanding in terms of their requirements for approvals and certifications, as well as the need for referral marketing and heavy capital expenditure.

Following the buyout, Axa Private Equity will own a majority stake in Gerflor. It will be supported by iXEN, which was already a shareholder in the previous buyout and is renewing its confidence in the group. Against this background, the arrival of new shareholders will have no impact on the group's organization and employees. The change of ownership structure is fully in line with past strategy.

Bertrand Chammas, Chairman and CEO of Gerflor, commented: "We believe that Axa Private Equity is the ideal partner to provide us with the financial support we need in the next few years to expand our international business, implement our investment plan and strengthen our commercial and marketing resources. Its recognized expertise in the construction and retailing sectors, active approach to supporting its investee companies in their development, the well-known Axa name and access to the Axa group's worldwide network are all key strengths for supporting us in our organic growth plans and build-up strategy".