

Bad Soden, Germany, 31 January 2005

Messer Industrie GmbH acquires MEC Group from The Carlyle Group

Global private equity firm The Carlyle Group today announced to sell its 51% stake in MEC Holding GmbH to Messer Industrie GmbH. Messer Industrie GmbH, the holding company of the Messer family, based close to Frankfurt am Main, will thereafter own 100% of the MEC Group.

MEC Group was founded in October 2000 to merge Messer Cutting & Welding Group and Swiss company Castolin Eutectic Group. Messer Industrie GmbH contributed Messer Cutting & Welding to MEC Holding GmbH. MEC Holding GmbH had previously acquired Castolin Eutectic through a leveraged buyout with the support of Carlyle.

“We are delighted to be able to build on and continue MEC’s successful strategy to date as the single shareholder in MEC Group” said Stefan Messer, CEO of Messer Industrie GmbH. “Herewith, the traditional fields of activity - welding and cutting and industrial gases – are reunified under the roof of the Messer family. These strong international brands will be linked through an integrated branding conception. However, It is not previewed to merger the two businesses.” MEC Group, based in Kriftel, near to Frankfurt am Main is an internationally leading company in sectors “Wear & Fusion Technology”, “Messer Cutting Systems”, and “BIT Analytical Instruments”. The company has more than 2,000 employees in 40 countries across Europe, NAFTA and Asia-Pacific, and generated $\text{€} 328\text{m}$ in 2004. Wear & Fusion Technology is the worldwide leading specialist in welding, brazing, coating and wear plate technologies for challenging repair, surface protection and joining tasks. Messer Cutting Systems is the global leader in thermal cutting machines with oxyfuel, plasma and laser cutting. BIT Analytical Instruments is a specialist contract manufacturer for analytical and lab-automation instruments. The MEC Group has made excellent progress since 2000 under the leadership of Carlyle. “Through the support of Carlyle, MEC Group has greatly improved its profitability and operating cash flow, and has met its ambitious targets. We believe that with Messer Industrie GmbH as an experienced and competent majority shareholder, we can continue further along the path to success,” said Dr Martin Beck, CEO of MEC Holding GmbH. Gregor Böhm, Managing Director at Carlyle, said: “MEC was a very good investment for us, both in terms of our return, and in working with such an excellent management team. Through the sale to Messer Industrie GmbH, MEC Group will now have a solid and reliable shareholder who will be able to support the profitable sales growth strategy.

“Carlyle invested in its 51% stake in MEC in June 2000 from Carlyle Europe Partners I. This announcement is the seventh successful exit from the portfolio, and the fourth since September 2004. Realised exits from the $\text{€} 1$ billion fund include Honsel International Technologies, Beru, Riello, Materis, Andritz and Le Figaro.

About MEC Group

MEC Group is a global leader in the “Wear & Fusion Technology”, “Messer Cutting Systems”, and “BIT Analytical Instruments” sectors. Wear & Fusion Technology is the worldwide leading specialist in welding, brazing, coating and wear plate technologies for challenging repair, surface protection and joining tasks. Messer Cutting Systems is the global leader in thermal cutting with oxyfuel, plasma and laser cutting. BIT Analytical Instruments is a specialist contract manufacturer for analytical and lab-automation instruments. MEC Group operates in 40 countries across Europe, NAFTA and Asia Pacific, with over 2,000 employees and a turnover of $\text{€} 328$ million in 2004.

About Messer Industrie GmbH

Messer Industrie GmbH (MIG) is the holding company for the Messer family, with shares in Messer Group GmbH and MEC Holding GmbH. MIG is based in Königstein am Taunus. Both shareholdings have their origin in Messer Griesheim GmbH, dates back to 1898, and was a family business active in the welding and cutting, industrial gases and cryogenic air fractionation sectors. Messer Group GmbH, a leading industrial gas company, operates in 33 countries across Europe, Asia and Peru with more than 60 companies with over 3,800 employees and a turnover of more than $\text{€} 500$ million in 2004.

About The Carlyle Group

The Carlyle Group is a global private equity firm with more than \$ 18.9 billion under management. Carlyle generates extraordinary returns for its investors by employing a conservative, proven, and disciplined approach. Carlyle invests in buyouts, venture, real estate, and leveraged finance in North America, Europe, and Asia, focusing on aerospace, automotive & transportation, consumer & retail, energy & power, healthcare, industrial, technology & business services, and telecommunications & media. Since 1987, the firm has invested \$ 12.4 billion of equity in 355 transactions. The Carlyle Group employs more than 500 people in 14 countries. In the aggregate, Carlyle portfolio companies have more than \$ 31 billion in revenue and employ more than 151,000 people around the world.

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<https://newsroom.messergroup.com/en/messer-industrie-gmbh-acquires-mec-group-from-the-carlyle-group/>

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