

## PRESS RELEASE

28 July 2009



### **Kontron further strengthens financial position for future growth**

#### **Warburg Pincus acquires 8.8 percent of Kontron AG shares / Fresh capital for acquisitions**

Eching, Munich, July 28, 2009. Kontron AG, a leading international provider of embedded computer technology, further strengthens its financial position and outlook for future growth. As announced by the company's management board, Warburg Pincus, one of the world's largest growth investors, is acquiring 8.8 percent of Kontron AG shares (based on the increased share capital) by way of a capital increase.

Warburg Pincus represents an additional and highly important strategic investor that is known not only for its long-term investment commitment and its approach as a partner to management, but also for its financial strength and M&A and industry expertise. Ulrich Gehrman, CEO of Kontron AG commented: "With the fresh funds from the capital increase, we are strengthening our solid equity and liquidity position. In particular, the proceeds from the capital increase allow us not only to make long-term investments that bolster our market position, but also to be flexible to make acquisitions". According to Mr. Gehrman, Kontron currently finds itself in a rapidly consolidating market. This situation offers significant strategic opportunities around the world that the company now aims to exploit with targeted acquisitions.

For Warburg Pincus, which has a portfolio of more than 100 companies around the world and holds more than USD 25 billion in assets under management, this investment has great potential. Jeremy Young, managing director at Warburg Pincus Deutschland GmbH commented: "We are very pleased to be investing in Kontron, a recognized global industry leader in a growing market. Our proposed capital infusion will provide the company with the liquidity needed to accelerate growth, both organically and through acquisitions. We look forward to working with the management team at Kontron and drawing upon our substantial M&A and deep technology expertise to help create further value for all stakeholders".

#### **Share purchase through capital increase**

On July 27, 2009, the management board of Kontron AG, with the consent of the supervisory board granted on the same date, resolved a capital increase from authorized capital. As part of this capital increase, Kontron AG's issued share capital will increase from EUR 50,788,024 by EUR 4,895,000 to EUR 55,683,024 against contributions in cash. A total of 4,895,000 ordinary bearer shares will be issued with entitlement to dividends from January 1, 2009. The new shares will be issued at an issue price of EUR 7.88 per share. The company will receive

a total gross amount of approximately EUR 38.6 million. The Shareholders' preferential subscription rights have been excluded. The new shares will be subscribed for by a Warburg Pincus entity.

Press contact for Kontron:

Investor Relations:

Gaby Moldan

Kontron AG

Oskar-von-Miller-Str. 1,

85386 Eching

Tel: 08165/77212, Fax 08165/77222

Email: [Gaby.Moldan@kontron.com](mailto:Gaby.Moldan@kontron.com)

Further information:

Dr. Udo Nimsdorf

Engel & Zimmermann AG

Agentur für Wirtschaftskommunikation

Schloss Fußberg, Am Schlosspark 15,

82131 Gauting

Tel: 089-89 35 633, Fax: 089-89 39 84 29

Email: [info@engel-zimmermann.de](mailto:info@engel-zimmermann.de)

Press contact for Warburg Pincus in the UK:

Sarah Gestetner / Angharad Couch

Citigate Dewe Rogerson Ltd

3 London Wall Buildings

London Wall

London EC2M 5SY

Tel: 020 7638 9571

Email [angharad.couch@citigatedr.co.uk](mailto:angharad.couch@citigatedr.co.uk) / [sarah.gestetner@citigatedr.co.uk](mailto:sarah.gestetner@citigatedr.co.uk)

## **About Kontron**

Kontron AG is one of the world's largest manufacturers of embedded computer technology (ECT) and supplies leading OEMs, system integrators and application providers in a broad range of market segments, such as data and telecommunications, automation, mobile computing, medical technology, military technology, aerospace, and measuring and control engineering. The aim is to create major competitive advantages for customers through a significant reduction of time-to-market and costs.

Kontron AG is headquartered in Eching (near Munich, Germany); further important locations are Kaufbeuren/Germany, Deggendorf/Germany, Pittsburgh/USA, San Diego/USA, Montréal/Canada, Penang/Malaysia, Taipei/Taiwan, Moscow/Russia, and Beijing/China. The Kontron Group employs more than 2,500 employees (including more than 900 highly-qualified engineers), and is listed in the TecDAX 30 Index.

The company is well positioned to support its customers on a global scale due to its strategically situated locations and production facilities, both in the Asian-Pacific region as well as in Canada, Europe, and the United States. This factor is gaining even greater

significance through the accelerating spread of embedded computer technology throughout almost all industrial applications. The product portfolio comprises PCI, CompactPCI and VME solutions at computer board level, open platforms for communication servers, rack equipment, human-machine interfaces (HMIs), portable computers, embedded hardware, and customer-specific solutions.

### **About Warburg Pincus**

Warburg Pincus is a leading global private equity firm. The firm has more than USD 25 billion in assets under management. Its active portfolio of more than 100 companies is highly diversified by stage, sector and geography. Warburg Pincus is a growth investor and an experienced partner to management teams seeking to build durable companies with sustainable value. Founded in 1966, Warburg Pincus has raised 12 private equity funds which have invested more than \$29 billion in approximately 600 companies in 30 countries.

Since the firm's first European transaction in 1983, Warburg Pincus has invested more than \$5 billion in European companies, including investments in Ziggo, Loyalty Management Group, WNS Global Services (NYSE: WNS), Eurand (NASDAQ: EURX), Zentiva (LSE: ZEND and PSE: ZENTIVA), Channel 5 Broadcasting Ltd., Euromedic and Easycash.

Warburg Pincus has invested more than \$10 billion globally in technology, media and telecommunications, including investments in Nuance (NASDAQ: NUAN), Metavante (NYSE: MV), Bharti Airtel (BSE: BRTI), NeuStar (NYSE: NSR), UGS and BEA Systems.

The firm has offices in Beijing, Frankfurt, Hong Kong, London, Mumbai, New York, San Francisco, Shanghai and Tokyo. For more information, please visit [www.warburgpincus.com](http://www.warburgpincus.com).