

Private Placement Presentation

EX.TRA Industries Private Equity GmbH & Co. KG



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- Who is EX.TRA?
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Six Facts for an EX.TRA Success

1. Germany has a high potential for transactions in the lower mid market segment. In 2005 the German „Mittelstand Institut IFM“ is expecting more than 6.000 succession solutions by non-family members in this segment.
2. The EX.TRA Partners invested in previous roles 150m€ equity with a > 34% p.a. net IRR in this specific segment. The partners collaborated recently in several consulting projects.
3. The EX.TRA Industries concept got approval by 20 entrepreneurs, who have pooled their interests in MITECH AG, a sponsor and LP of EX.TRA.
4. Hands on-support, industrial know how and dealflow by a Competence Team comprising a Value Task Force, an Investment Committee and MITECH–shareholders will strengthen the ability to achieve attractive Fund Returns.
5. The partners' long term relationships to entrepreneurs, also gained in numerous supervisory committees, are one major source for a high level of proprietary dealflow.
6. Proofed tools for controlling- and risk-management as a result of best practice from former companies of all EX.TRA Partners ensure early measures to keep the portfolio on the right track.

- Six Facts for an EX.TRA Success
- Who is EX.TRA?

Company Structure
Fund Management and Competence Team Organization
Areas of Responsibility

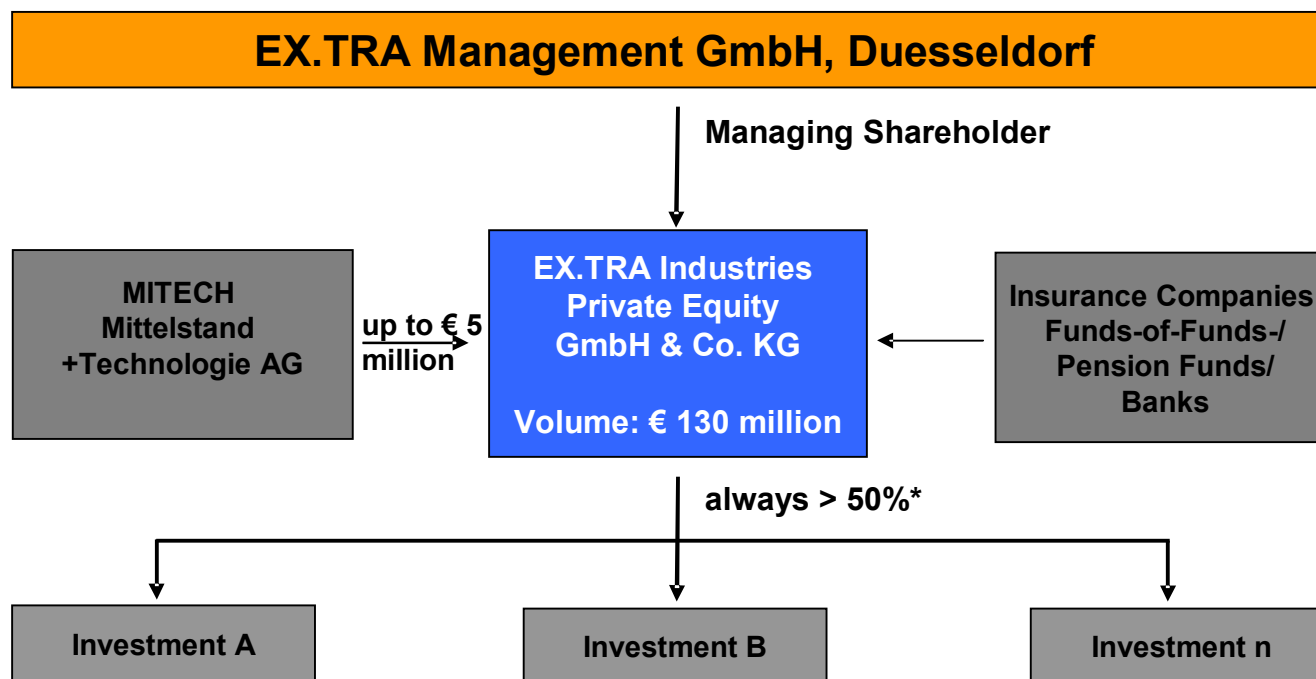
- Strategy and USP
- Team
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Who is EX.TRA?

- **EX.TRA's** philosophy is "**EX**pansion on the basis of industrial **TRA**dition" within the lower mid market sector.
- EX.TRA is seeking **control investments**. Target companies are established and innovative in their segment. They require additional management know how and equity to realize growth and succession opportunities.
- EX.TRA's **team** has collectively 25 years of **Private Equity**, 20 years of **Industry** and 10 years of Strategy and M&A-**Consulting Experience**.
- The team is supported by the external „**Competence Team**“ comprising **Owners** of operating companies, former **CEOs, CFOs** and **Chartered Accountants**.
- EX.TRA is **fully independent** and owned by its partners. It is **headquartered in Duesseldorf**, Northrhine Westfalia, one of the **strongest industrial centers** in Germany (22% of GNP Germany and 37% of all foreign investments).

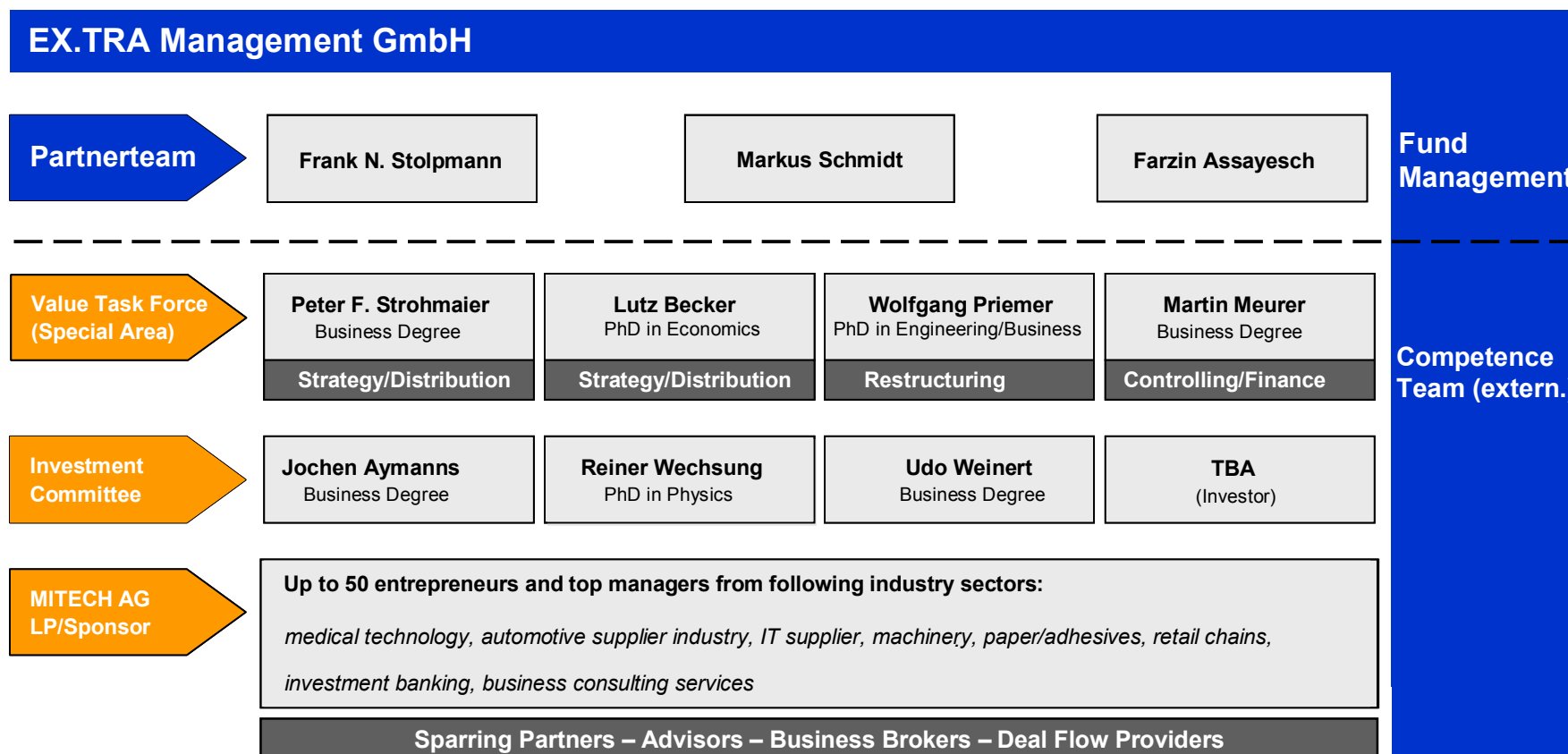
Company Structure

The legal structure is the most common German “GmbH & Co. KG”. This tax transparent model is proven and has shown high flexibility to meet LP’s needs even in a changing tax environment.



Fund Management and Competence Team Organization

The partners are responsible for the management of transactions and for portfolio controlling. They are supported by a "Competence Team" comprising industrial experienced managers and entrepreneurs. They act either as member of the Value Task Force, the Investment Committee or as MITECH-shareholder.



Areas of Responsibility

Clear rules for responsibilities ensure an effective and efficient fund management.

	Fund Management	Competence Team		
	Partner Team	Value Task Force	Investment Committee	MITECH AG Shareholders
Deal Flow	●	●	●	●
Transaction Management	●		◐	
Controlling	●	◐		
Industrial Know How/ Strategy Consulting	◐	●		◐
Interim Management	◐	●		◐
Exit	●		◐	

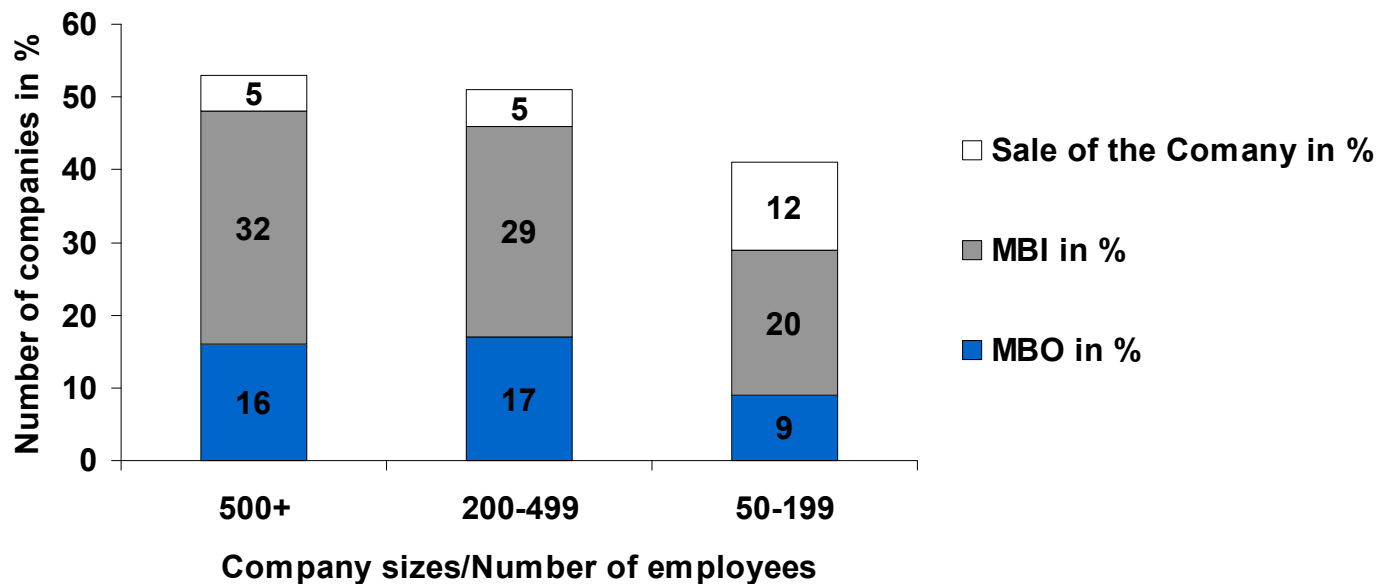
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- Who is EX.TRA?
- **Strategy and USP**

Significance of the Mittelstand
Growth by Sectors
Investment Criteria and Industry Sector Focus
Strong Competitive Position

- Team
- Status Quo Fundraising
- Next Steps

Significance of Mittelstand

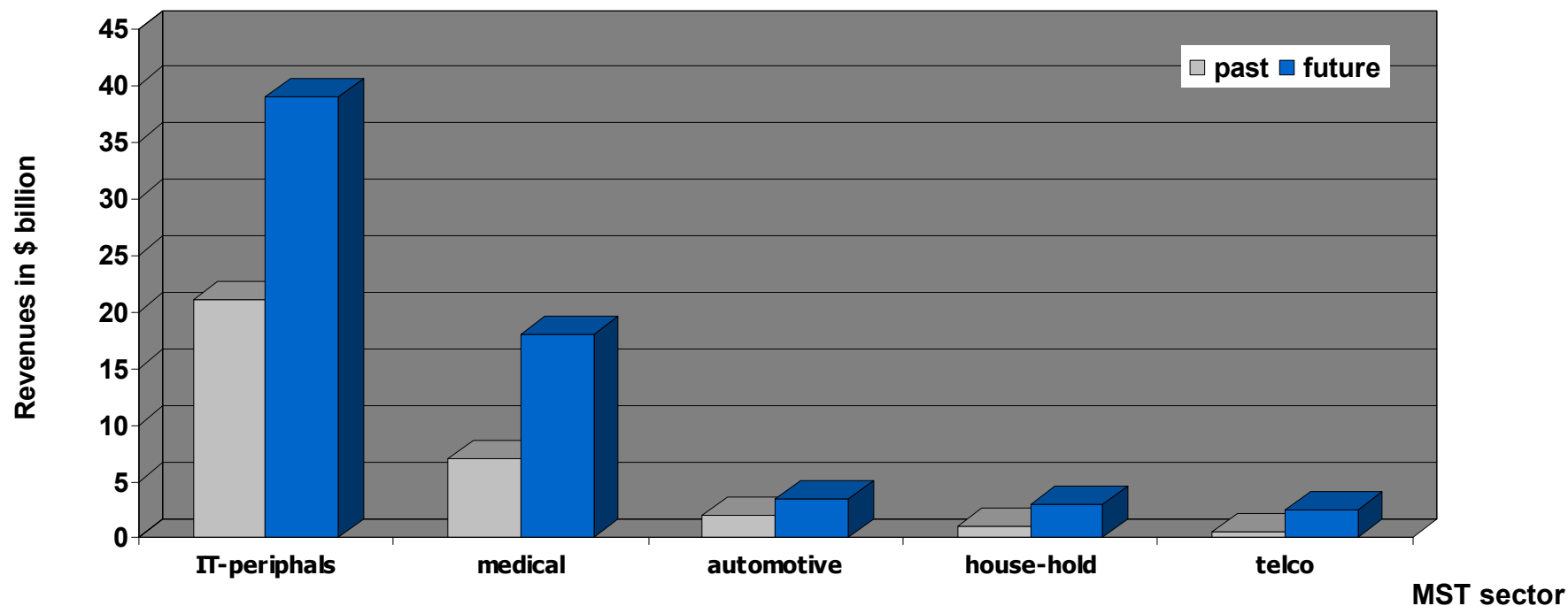
A Middlemarket study by the BDI (Major German Industry Assoziation) reveals, that more than 50% expect a succession with new owners. Companies targeted by EX.TRA have more than 50 employees and realize turnovers up to € 50m. A IFM* research shows nearly 13.000 of those companies solely in Germany.



(*Mittelstand research agency)

Growth by Sectors

EX.TRA will focus on industry sectors with a significant growth and also innovation component. For instance, many sectors of the micro system technology industry (MST) offer exceptional growth potential.



Source: NEXUS

Investment Criteria and Industry Sector Focus

- Investment Criteria

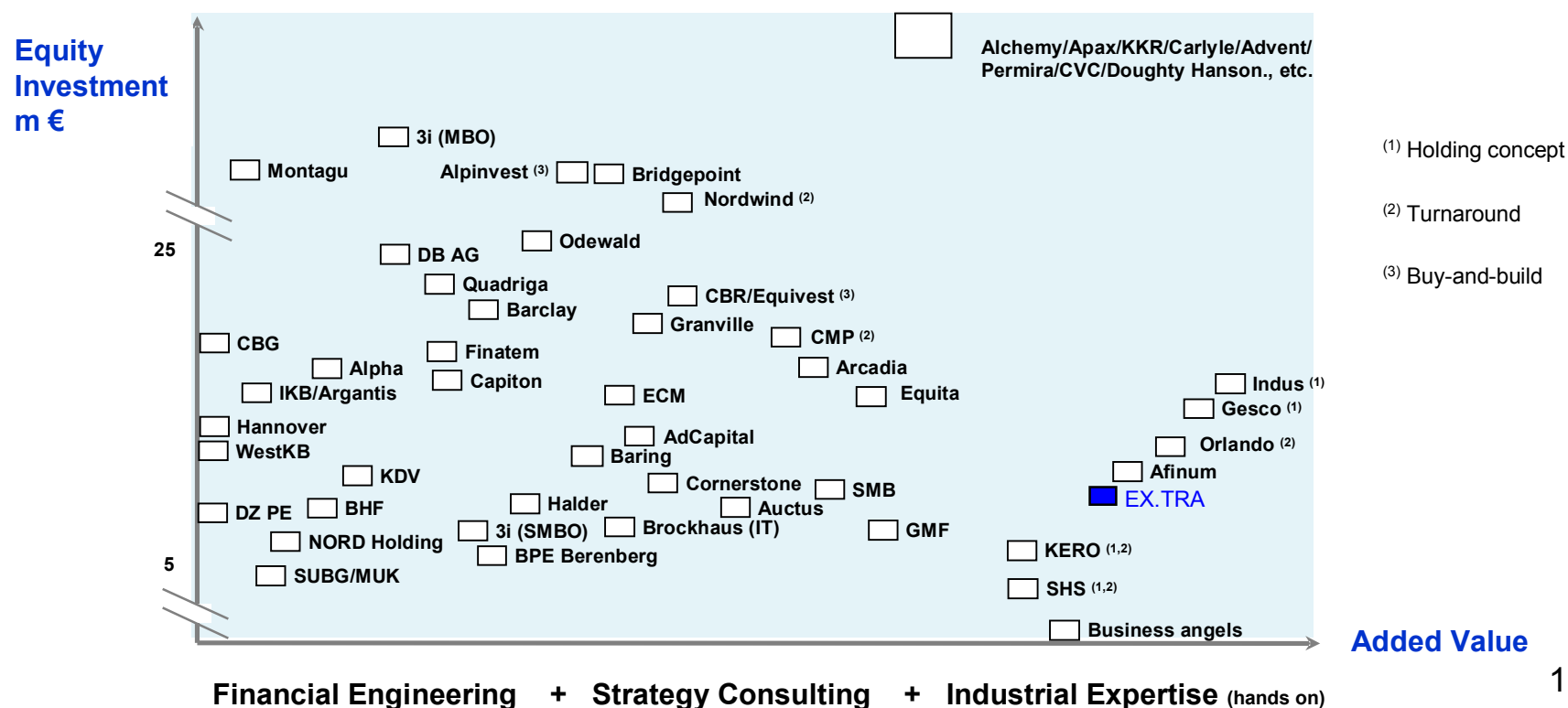
- turnover typically € 50 million (max. €100 million, min. 10 million)
- unsolved succession and growth situations
- stable core business with strategic and/or technological leading position
- relatively low Ebitda margins (positive, but typically < 10% of sales)
- undercapitalized for growth (high debt to equity ratio)
- potential to optimize/strengthen operations and financial structure

- Industry Sectors

automotive, medical, electronics, energy, optical systems, machinery;
sustainable with favorable competitive dynamics, possibly facing consolidation

Strong Competitive Position

In spite of numerous target companies in the lower mid market, there are rather few German teams with industrial expertise and reliable access to entrepreneurs. Most Private Equity players are either financial engineering- or consultant- driven, while both groups are commonly less accepted by entrepreneurs.



- Six Facts for an EX.TRA Success

- Who is EX.TRA?

- Strategy and USP

- **Team**

Partner Profiles

Investment Committee

Value Task Force

MITECH AG - Know How & Deal Flow Generator

- Status Quo Fundraising

- Next Steps

Frank N. Stolpmann (1961)

Qualification	Diplom-Kaufmann (equivalent to M.B.A.), University of Cologne (1988) Columbia Business School, SEP, New York (1996)
Experience	
since 2002	Buy out-Fund EX.TRA Industries, Duesseldorf, Founder
2000-2001	High Tech Management GmbH, Duesseldorf, Private Equity ERGO Insurance group (Vol. 151m€); Managing Partner
1996-1999	Deutsche Bank AG, consulting unit, Duesseldorf, Vice President; M&A, Strategy und Succession
1995-1996	MASA-Decor GmbH, Berlin, (Top 5 worldmarket leader finish foils, laminated papers; sales 110m€ p.a.), Interim-Managing Director Holding; Turnaround-Management / Strategic repositioning
1988-1995	Radermacher Techno Consult GmbH, Munich; Managing Partner Strategy-, R&D-Management-consulting; Interim-Management
1979-1988	Siemens AG, Project Manager in Germany, South Africa and Turkey
Supervisory Boards	Foss A/S, Hamburg (subsidiary of Foss A/S Copenhagen; analytical instruments); Mediacall AG, Berlin (financial services); Schwering & Hasse, Bad Pyrmont (electronic supplier); Synflex, Blomberg (logistics)
PE-Experience	Bernina Biosystems; several M&A-projects

Markus Schmidt (1967)

Qualification	Diplom-Wirtschaftsingenieur, University of Karlsruhe (1992)
Experience	
since 2002	Buy out-Fund EX.TRA Industries, Duesseldorf, Partner
1998-2002	Capiton AG, Berlin, Director Stuttgart branch
1995-1998	EnBW Energie Baden-Wuerttemberg AG, Karlsruhe Project Manager Mergers & Acquisitions and Controlling
1992-1995	MAXIMA AG, Duesseldorf, Consultant, company finances and pension funds
1990/91	Mercedes-Benz AG, Stuttgart/Buenos Aires, Manager
Supervisory Boards	Bioceutical AG, Bad Vilbel; Meyer & Burger AG, Steffisburg; Hettich group, Kirchlengern; Henke Pressedruck, Berlin; DKV Euroservice, Duesseldorf.
PE-Experience	ADLON GmbH (IT); Bioceuticals AG (pharma); Draiswerke GmbH (machinery); Hettich Group (technical goods); Meyer & Burger AG (machinery); Pongs & Zahn AG (plastics); Wesser Informatik GmbH (security software); Internet-Full-Service-Provider; Vogel-group (industrial lubrication); Messerschmidt wood processing.

Farzin Assayesch (1952)

Qualification	Diplom-Ingenieur, University of Karlsruhe Diplom-Wirtschaftsingenieur, University of Karlsruhe
Experience	
since 2004	Buy out-Fund EX.TRA Industries, Duesseldorf, Partner
2001-2003	Atrium Private Equity, Frankfurt, Managing Founder
1997-2000	ABN AMRO Capital, Frankfurt, CEO, responsible for all Private Equity-activities of ABN AMRO-group in D, A, CH
1995-1997	Landesbank Hessen-Thueringen (Helaba), Frankfurt, Senior Vice President, Corporate Finance & Acquisition Finance
1988-1995	BHF Bank AG, Frankfurt, Vice President Private Equity;
Supervisory Boards	Billerbeck AG; Convent AG (Event Management)
PE-Experience	Highlight AG (Media); Argus (Software); Hauser (Office equipment); Computer partner (IT-Services); Weko (Pyrotechnics); TTF (automotive supplier)

Investment Committee

Jochen Aymanns (1941)

Gerling Allgemeine Versicherungs-AG, Cologne (insurance); CEO
DKV AG, Cologne (insurance); Member of the Board, Sales
Nordstern Versicherungen, Cologne (insurance); Member of the Board, Sales
MLP AG, Heidelberg (financial service); Member of the Board
Wang GmbH, Frankfurt (EDP-Systems); Sales Director
Philips GmbH, Duesseldorf; Director Sales/Product Management

Dr. Reiner Wechsung (1942)

Steag microparts GmbH, Dortmund, CEO
Head of NEXUS market analysis, author of the NEXUS-study
Leybold-Heraeus AG; Head of R&D
Gesellschaft für Schwerionenforschung, Darmstadt; Project Manager

Udo Weinert (1951)

Innotec AG, Duesseldorf (Holding); CEO
Berliner Elektroholding AG, Berlin (Holding); CEO
EDEKA, Essen (Food trade chain); Manager

Value Task Force

Dr. Lutz Becker (1957)

Norman Data Defense Systems GmbH, Solingen; CEO.
Formac GmbH, Berlin/Ratingen; Director International Sales.
Philips AG, Siegen/Neuss; Product Manager.
Wilkinson Sword GmbH, Solingen; Marketing.

Martin Meurer (1963)

Luhns GmbH, Wuppertal (chemicals); Member of the Board.
B.U.S. Berzelius Service AG (recycling-service), Duisburg; CFO.
Deutsche Bank AG, Frankfurt, Wuppertal; Member of the Board.

Dr. Wolfgang Priemer (1939)

Krupps Kompaktlogistik GmbH; Parking Systems GmbH, Dortmund; CEO.
Kolbus GmbH & Co. KG, Rahden (machinery); Member of the Board.
Cyklop GmbH, Cologne (machinery); Head of Marketing.

Peter F. Strohmaier (1947)

Empe Werke GmbH, Geretsried (automotive supplier interior); CEO.
Valeo SA, Stuttgart (automotive supplier); CEO.
Mahle Inc., Morristown, Tennessee, USA (automotive supplier); Head of Sales.
Mercedes-Benz AG, Stuttgart; Export-Manager.

MITECH - Know How & Deal Flow Generator in Germany

- Dr. Klingele, Owner, **Corrugated Paper, Glue, Aquatechnology**; Stuttgart
- Mr. von Polheim, MD **GE Medical** Deutschland; Solingen
- Mr. Coen, MD **Saltus Automotive**; Solingen
- Mr. Lux, Owner **LUX-Tools; OBI-DIY-chain**; Remscheid
- Prof. Dr. Krüger, Chairman **Postbank AG**, ex-Lazard Investment Banking; Frankfurt
- Mr. Teicke, Owner **Financial Service Group Mediacall AG**; Berlin
- Mr. Schürmann, Owner Bacher-Neuform (**Drugstore Chain**); Remscheid
- Mr. Hinrichs, Co-owner Spielmaxx AG (**Toys Chain**); Berlin
- Mr. Schlichting, Co-owner **KMS AG**; German-Arabian Trading Agency; Frankfurt
- Mr. Neupert, Owner **Isaria Design AG** (Corporate Design); Munich
- Mr. Würtz, ex-Board Member **Deutsche Bank AG**; Cologne
- Mr. Eggers, CPA, ex-Partner **Artur Andersen**, Munich
- Mr. Weinert, Supervisory Board MAX-Holding, former CEO Innotec AG, MD of Berliner Elektro Holding AG

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- **Status Quo Fundraising**

Prospects by Investor Group (oral presentation)
Fund Conditions at a Glance
Major Pre-Requisites for a Successful Fund

- Next Steps

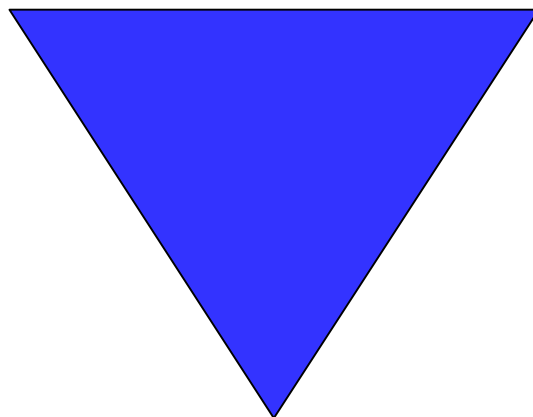
Fund Conditions at a Glance

- **Legal Structure** GmbH & Co. KG; Advisor: Pöllath & Partner, Berlin
- **Target Fund Size** up to € 130 million
- **Target Portfolio** 8 - 12 growth-oriented and innovative middle-market companies in D, A, CH
- **Investment Period** 4 - 6 years
- **Fund Life** 9 + 3 years
- **Minimum LP Commitment** € 5 mill.
- **Fundraising Commencement** Immediately; first closing contemplated at € 35 mill.
- **Management Commitment** 2%; 1% of the fund capital and additionally 1% of the equity of each acquisition
- **Arrangement Fee** One-time fee of 1% of committed capital
- **Management Fee** 2.4% p.a., additional reduction possible, if annual management costs are lower than budgeted
- **Participation in Proceeds** Hurdle Rate: 8% per annum on invested capital; Carried Interest: 80/20

Major Pre-Requisites for a Successful Fund

An experienced Private Equity-Team together with an active network builds a stable basis to reach high returns in the attractive German lower mid market segment.

**Active
Network**



**Attractive
Market Situation**

Broad PE-Know How

Suggestion for Next Steps

- Clear open questions
- Set timetable for further steps
- Summarize necessary pre-requisites for the next step
-

Further questions?

Please contact us:

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