

PRESS RELEASE

Apeldoorn, Netherlands, 2 November 2009
Derby, United Kingdom, 2 November 2009

BDR Thermea approved by European Commission

De Dietrich Remeha Group and Baxi Group announce the creation of BDR Thermea, a new world class company in innovative climate and hot water solutions and services. Following the receipt of all necessary EU competition approvals, the transaction initially announced in July 2009 has been completed. The new group will be called BDR Thermea, recognizing the contribution both groups bring to the combination.

The complementary geographic profile of De Dietrich Remeha Group and Baxi Group will put the new group in a leading position in all Western European countries, with particularly strong positions in the rapidly growing markets of Eastern Europe, Turkey, Russia, North America and China.

Rob van Banning, formerly CEO of De Dietrich Remeha Group and appointed as the new CEO of BDR Thermea, said: "I am delighted to be able to announce the successful creation of our new company. With our complementary geographic strengths and entrepreneurial culture, we have created a new group that is a true leader in European heating products with further potential in other geographies. Cost synergies can be created through implementing best in class technological platforms and efficient operations, supporting the employees of our two organisations and reinforcing the products and services we deliver to our customers. This is a very significant step in our growth strategy of the past 8 years".

The heating market is consolidating. According to Martyn Coffey, CEO of Baxi Group and now member of the BDR Thermea Board, forming this new company brings the benefits of consolidation to the European heating market. "This is particularly critical given the context of today's global economic uncertainties and difficult financing markets".

Jan Janssen and Andrew Newington, respectively chairman and member of the supervisory board of BDR Thermea, said "The combination of innovation, excellent service and distribution, local brands and a broad geographic coverage offers a longterm perspective in world class heating and sanitary hot water. It is a great opportunity for the shareholders behind BDR Thermea to create a new group with a longterm group perspective supported by a strong financial platform. It is a great example of how private equity can act as a long term shareholder supporting the strategic initiatives of our investee companies."

The transaction is to be structured as a share for share transaction in which Baxi Group's shareholders (funds advised by BC Partners and by Electra Partners), will invest around €100 million in additional equity in the new group as minority partners with the Remeha Group B.V. holding the majority.

About BDR Thermea

BDR Thermea headquarters will be in Apeldoorn in the Netherlands, with management of the combined companies consisting of executives and board members from both organizations.

For 2008, the combined business generated pro forma revenues of € 1.8 billion, EBITDA of over € 225 million and had over 6400 employees. The new group will have a top market position in six key countries: UK, France, Germany, Spain, the Netherlands and Italy. The combination of geographic strengths and the strong R&D position will create synergy, increasing the growth opportunity of BDR Thermea.

The strategy of the created group involves marketing under multiple local brands, with strong national operations in the major European economies allowing for rapid reaction to changes in local demand. BDR Thermea has sales and service organisations in many European countries and will continue to trade under leading European brands including Remeha, Baxi, Baxi Roca, De Dietrich, Brötje and Chappée.

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The new group focuses on customer needs regarding innovative climate and hot water solutions and services, offering systems instead of only single products. The strong R&D platform and the financial strength of BDR Thermea make it possible to enhance the existing product range. This focus on R&D and innovation also provides the opportunity to confirm and build on the leadership in the emerging market for low carbon micro combined heat and power products and can support the way BDR Thermea contributes to a sustainable environment.

For more information, please check the new corporate website www.bdrthermea.com or contact:

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