

Press release

December 10, 2013

Top-Werk Group continues to grow

The merger with the HESS Group will create the world's largest provider of machines and equipment for industrially manufactured concrete products

The HESS Group, headquartered in Burbach and a leading provider of machines and equipment for high-quality finished concrete products, and the Top-Werk Group, with its long-standing companies SR-Schindler Maschinen-Anlagentechnik GmbH in Regensburg and Prinzing GmbH Anlagentechnik und Formenbau in Blaubeuren, are merging under the umbrella structure of Top-Werk GmbH. This merger will create a corporate group operating globally at over a dozen locations that will secure a clear leading position in the market of machines and equipment for the construction materials industry thanks to its comprehensive offerings of high-quality manufacturing technology and integrated production solutions covering all aspects of the concrete blocks and slabs, concrete pipes and aerated concrete product groups. The transaction was signed in November and the intention is to execute it shortly.

Client expectations of providers of high-quality machines and equipment for the concrete industry have been constantly on the rise in recent years. They still demand machines that are reliable, efficient and powerful, but they are also increasingly asking for more flexibility with regard to the end products' design, colour and surfaces as well as more processing options and a significantly greater degree of process integration and automation. This insight was one of the key factors driving the merger.

With its comprehensive offerings of machines and equipment for the construction materials industry – in particular, the high-performance equipment for manufacturing concrete blocks, aerated concrete, concrete pipes and mixer machines – the HESS Group has long held an important position with the manufacturers of high-quality concrete products. The HESS product range stands to benefit greatly from the integration with the complementary offerings of the former Top-Werk companies SR-Schindler (concrete slabs and coating equipment) and Prinzing (concrete products for infrastructure). HESS has a workforce of



around 750 employees at production sites in Germany, the Netherlands, France, Russia, China, India and Mexico, as well as sales and service centres in Canada and Dubai.

The merger is receiving corporate and financial advice from CGS, an international industrial investor with roots in Switzerland.

The long-standing managing directors Walter Hess and Roland Krause have already handed over the operational management to a three-person management body in 2010. Ralf Beier, Tobias Hess and Friedrich Krombach shall now join Top-Werk's managing directors, Georg Prinzing and Richard Scheuerlein, entering the management of the extended corporate group.

The expanded and significantly strengthened group of companies will in future be able to attend much better to clients' needs and considerably increase the scope and appeal of their innovative market offerings, as their resources and competencies shall be one-of-a-kind - at least in this combination - in the sector.

Ralf Beier, CEO of the HESS Group and designated spokesperson for the extended Management Board, said: "With the merger of the HESS Group with Top-Werk and the companies Prinzing and SR Schindler, an organisation is emerging that brings together all the fields of modern machine and equipment production for industrially manufactured concrete products under the same roof. This will allow us to satisfy clients' needs even better and offer integrated single-source solutions with unprecedented dimensions."

Christoph Haller, managing partner of CGS Management, adds: "With this merger, we are reaching another significant milestone on the way to unleashing the huge potential inherent in a consolidation of these various strengths in machine and equipment production for high-quality concrete products. The first fully integrated provider of solutions for the industrial manufacturing of all kinds of concrete products is emerging, which in the long run increases the benefits offered by the expanded Top-Werk Group to its clients around the world."

On Top-Werk:

Top-Werk GmbH, a company governed by German law, is the parent company of the firms SR-Schindler Maschinen-Anlagentechnik in Regensburg and Prinzing GmbH Anlagentechnik und Formenbau in Blaubeuren, which are specialised in the production of highly developed machines and equipment for the concrete products industry. The operations of both companies will continue to be run by their previous owners Richard Scheuerlein and Georg Prinzing, respectively.

<http://www.topwerkgroup.com>

On the HESS Group:

The HESS Group was founded in 1948 and is now a globally leading provider of machines and equipment for the construction materials industry. With its long and continuous tradition of pursuing innovation, HESS is able to offer not just individual solutions, but also the entire range of accessories for manufacturing concrete blocks and concrete pipes as well as aerated concrete and sand-lime brick products. Ten production sites and a comprehensive sales and service network worldwide guarantee the fast and careful processing of all client concerns around the clock and around the globe.

<http://www.hessgroup.com>

On CGS:

The CGS industry participation fund, advised by CGS Management giesinger gloor lanz & co. domiciled in Freienbach/Pfäffikon, Switzerland, invests in profitable industrial companies with a focus on technological innovation, organic growth and *buy and build* strategies. CGS only invests in industries where the partners have extensive and proven operational experience: electronics and electrical engineering; machinery and equipment; measurement and control systems; construction supplies; and the plastics industry.

<http://www.cgs-management.com>

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