



## MAJOR ACQUISITION IN THE USA PURCHASE OF AVON AUTOMOTIVE

### CREATION OF A MAJOR GLOBAL LEADER IN FLUIDS MANAGEMENT

The MGI Coutier Group announces to have signed a definite agreement to acquire 100% of the capital of the Avon Automotive, an international tier-one supplier. Closing is scheduled for July 6, 2011.

Avon Automotive is a specialist in the supply of low-pressure rubber or silicone hoses and ducts. They produce cooling, fuel and air induction products or systems.

A recognized market leader in North America and in Europe in its product lines, Avon Automotive achieved sales of \$276m in 2010 and a recurring operating profit of \$10.6m. The group has 3,560 employees worldwide, with 60% of them based in North America.

Headquartered in Cadillac, Michigan, Avon Automotive is a global player, with 10 competitive production sites in 8 countries. This American Group is present in North America (USA & Mexico), Europe (France, Spain, Portugal, Czech Republic, Turkey) and Asia (India) with additional commercial offices in Japan, the UK and Germany.

Technical expertise in the design and manufacture of complex rubber and silicone products gives Avon Automotive the ability to support a diversified customer base including Ford, GM, Renault-Nissan, Tata-Jaguar-Land Rover, Toyota, Chrysler...

This stock acquisition is funded entirely by debt granted by a pool of 3 banks. Thanks to its strong balance sheet, MGI Coutier's debt/equity ratio will remain below 50% in 2011 and 2012.

This acquisition expands MGI Coutier's scope in terms of customer base, geographical presence as well as products and creates a global leader in fluids management.

Avon automotive will be consolidated as of July 1st 2011.

### MGI COUTIER REACHES A NEW DIMENSION

With this acquisition, the size of MGI Coutier group grows to 620M€ of sales and 8,000 employees.

Among all the synergies generated by the merger, we can emphasize:

- ***A technical leadership on the fluids management world market***  
Recognized as a specialist of storage, treatment and distribution of fluids, MGI Coutier will benefit from new rubber and silicone hoses technologies. These products play, for example, an important role in the engine environment and particularly in the cooling function for present and futures vehicles. MGI Coutier offers one of the world's widest product line-up (plastic, rubber, metal) for these functions / in its specialties.
- ***An enhanced global presence***  
MGI Coutier now has more than 30 plants close to the major automotive markets and sets foot again in the USA, market from which it was absent, in a significant manner with \$150m of sales. North America becomes the second largest market for the group.

- ***An important diversification of the customer base.***  
The group is now connected with all the major worldwide OEM's and the French OEM's represent 48% of the new Group (2010 pro forma base). We will take advantage of the commercial synergies which will open additional development opportunities using one of the most comprehensive product line-ups offered in the market.
- ***A shared innovation culture***  
Since its inception, MGI Coutier has been strongly involved in innovation. This strategy has brought technological leaps in terms of CO<sub>2</sub> emissions and ruggedness of emissions controls systems. This strong innovation culture is shared with Avon Automotive and reinforces MGI Coutier's capacity to propose technological improvements and innovative solutions to address the OEM's needs.

## **MGI COUTIER SPEEDS UP ITS DEVELOPMENT**

This acquisition adds momentum to MGI Coutier who enjoys solid advantages to speed up its growth and strengthen its position amongst global automotive suppliers.

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Equipementier automobile, MGI Coutier intervient dans deux grandes familles de produits :  
Le transfert de fluides et les mécanismes.

Euronext Paris - Compartiment C - ISIN : FR0000053027 – Reuters : MGIP.PA - Bloomberg : MGIC

[www.mgicoutier.fr](http://www.mgicoutier.fr)

[www.avonauto.com](http://www.avonauto.com)

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