

INVESTINDUSTRIAL CLOSES ITS THIRD SOUTHERN EUROPEAN BUYOUT FUND AT HARD CAP OF €500 MILLION

18 October 2005 – Investindustrial, the Southern European mid-market buyout group, has closed its third Southern European buyout fund, Investindustrial III at a hard cap of €500 million, exceeding its original €440 million target. Investindustrial III has attracted a number of major new investors as well as strong support from existing relationships with more than €1bn of interest.

Of the funds raised, 42 per cent came from pension plans/insurance groups/banks, 35 per cent from endowments/family offices, 9 per cent from funds of funds, 10 per cent from government funds and agencies, and 4 per cent from other investors. North American investors contributed 46 per cent, European institutional investors 42 per cent, and Asian investors 12 per cent.

Notable investors that have committed to the fund include Princeton University, ATP Private Equity Partners, New York Life Capital Partners, Wilshire Private Markets Group, Mn Services on behalf of its clients, Adveq, an Asian government investor and a large Ontario based pension fund.

Andrea C. Bonomi, Chairman of Investindustrial, commented: “We are delighted with the continued support for our industrial strategy and by the excellent quality of investors who see value in our ability to develop businesses through operational enhancements. We placed a hard cap on this third fund to ensure continued investment discipline and that our team remains focused on the opportunities where we can add value”.

“Since the 1990s, our strategy has consistently been focused on making control investments with a strong proprietary angle in the Italian and Spanish mid-market. We believe Investindustrial will continue to be the ideal partner to capitalise on the attractive opportunities in these markets, given our history, proven experience and strongly committed team. This continues the strategy of our successful 2000 fund”, Andrea C. Bonomi added.

MVision Private Equity Advisers acted as global placing agent. “They played an important role in helping us target high-quality global investors and forging key relationships”, added Andrea C. Bonomi.

SJ Berwin acted as legal counsel.

Background

Investindustrial is a leading Southern European investment group with approximately €1bn of assets under management which provides industrial solutions and capital to mid-market companies principally in Italy and Spain. Its mission is to actively contribute to the development of the companies in which it invests, by creating growth opportunities and offering global solutions through an entrepreneurial pan-European vision.

Investindustrial is independently managed by a dedicated team headed by Andrea C. Bonomi. Investindustrial is advised by 3 senior principals (Dante Razzano, Filippo Aleotti and Carlo Umberto Bonomi), a special principal (John C. Mowinckel), 2 principals (Michele Garulli and Salvatore Catapano) in addition to 10 investment professionals.

Investindustrial recent investments include Gardaland (the leading Italian amusement park), Contenur (the leading manufacturer of plastic solid urban waste containers in Spain and Portugal), Recoletos (the leading Spanish publishing group).

Recent exits include Eutelsat (a world leading satellite operator), Ruffino (a leading Italian Chianti wine producer) and Logic Control (a leading Spanish business software company).

This press release is not an offer of securities for sale in the United States and interests in the Fund may not be offered or sold in the United States absent an exemption from legislation.

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