

New Look Acquisition by Brait SE

New Look and Brait SE (“Brait”) announce that an agreement has been reached whereby Brait will acquire a c.90% interest in New Look Retail Group Limited (“New Look” or “the Company”) for c.£780 million, primarily from funds advised by Apax Partners and Permira (“the Acquisition”). The Singh family interests and the current management of the Company will acquire the remaining 10% of the Company. Anders Kristiansen, New Look’s CEO, Mike Iddon (CFO) and Roger Wightman (CCO) will remain with the Company. The transaction places an Enterprise Value on New Look of c.£1.9 billion.

Over the past 11 years, under the Apax and Permira Funds’ ownership, New Look has gone through a significant transformation and is now the leading fast fashion retailer in the UK for the under 35s with more than 800 stores worldwide. New Look is attractive to Brait for the following reasons:

- Double digit EBITDA growth in recent years;
- Solid cash flow generation;
- Established UK footprint in the higher growth value segment of the apparel and accessories market;
- Leading UK market value share; No. 2 overall womenswear and No. 1 in under-25s womenswear;
- Strong growth prospects in France, Germany, Poland and especially China which is a priority market;
- Strong brand awareness in particular amongst women in the UK;
- Well-developed multi-channel offering via traditional stores and a fast growing e-commerce platform incorporating ‘click and collect’ options;
- Well-invested infrastructure and systems including a state-of-the-art distribution centre
- The scale and efficiency of New Look’s fast fashion operating model from source to customer (via shop-floor or e-commerce) is difficult to replicate; and
- Partnering with an experienced, aligned and proven management team, and with the founder of the business.

New Look has net financial debt of c.£1 billion. Brait and New Look’s management are comfortable with the company’s current leverage ratio given its strong cash flow generation. Subject to market conditions, the Company will review financing alternatives in order to optimise the capital structure within the same leverage range.

Brait will fund the Purchase Consideration using available facilities and cash on hand.

Commenting on this transaction, Anders Kristiansen, CEO of New Look said:

“We are delighted to have announced this transaction. Brait have a track record of long-term and supportive investments – they give us the perfect platform to continue our strategy of growing the New Look brand in the UK, Europe and China. I’d like to take this opportunity to thank our existing shareholders for their support over the years, and I am looking forward to working with Brait in the future.”

John Gnodde, CEO of Brait added:

“New Look is an attractive investment opportunity for Brait – it is a market leading brand, with a strong track record of double digit EBITDA growth, solid Cashflow conversion, international reach, and the potential to grow rapidly in a number of geographic markets including China. We have been highly impressed with the management team and look forward to partnering with them.”

Paul Mason, Chairman of New Look added:

“This is an ideal outcome for New Look. The Brait team demonstrated to us that they have the long-term vision to help Anders and the team grow this brand.”

Martin Halusa, Chairman of Apax Partners said:

“Funds advised by Apax Partners and Permira are glad to have accompanied New Look on its international expansion and ecommerce growth and delivered substantial returns to its investors. We would like to thank Anders Kristiansen and his team for their work in driving this strategy successfully.”

Mike Garland, Partner at Permira added:

“After 11 years of successful partnership, the New Look brand is stronger than ever and the company's ecommerce and international operations are showing significant growth. We are very pleased with what we have achieved together and wish the New Look management team every success for the future.”

New Look was advised by Goldman Sachs International, JP Morgan Cazenove, Clifford Chance and Price Waterhouse Cooper on this transaction.

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Notes to Editors

About New Look

Founded in 1969, New Look has grown from a single store to become a dynamic, international, multichannel retail brand with a unique value-fashion offer in apparel, footwear and accessories for women, men and teenage girls. New Look is the No. 2 value retailer for women’s clothing and accessories market in the UK (source: Kantar Worldpanel for year to March 2015). The New Look

Group has over 800 stores across the globe in 21 countries, including 19 in China and our estate of 569 UK stores places New Look in immediate reach of the majority of the British population.

About Brait

Brait is an investment holding company focused on driving sustainable long-term growth and value creation in its investment portfolio of sizeable unlisted businesses operating in the broad consumer sector. Brait recently announced the acquisition of Virgin Active.

About Apax

Apax Partners is one of the world's leading private equity investment groups. It operates globally and has more than 30 years of investing experience. Apax Partners has advised funds that total over \$40 billion around the world in aggregate. Funds advised by Apax invest in companies across four global sectors of Tech & Telco, Services, Healthcare and Consumer.

About Permira

Permira is an international private equity firm. Founded in 1985, the firm advises funds with a total committed capital of approximately €25 billion. Since 1985 the Permira funds have made over 200 private equity investments with a focus on driving transformation to build better businesses. Permira specialises in five key sectors: Consumer, Financial Services, Healthcare, Industrials and Technology. The Permira funds have a long track record of successfully investing in consumer companies around the world including Dr. Martens, Atrium, Hugo Boss, Valentino, Galaxy Entertainment, Akindo Sushiro, iglo group and Maxeda. Since 1997, the Permira funds have invested €6.7bn in 24 consumer companies.