

*This is a joint press release by AI Garden B.V. and Mediq N.V. pursuant to the provisions of Section 5, paragraph 1 and Section 7, paragraph 4 of the Decree on Public Takeover Bids (Besluit openbare biedingen Wft) in connection with the intended public offer by AI Garden B.V. for all the issued and outstanding ordinary shares in the capital of Mediq N.V. This announcement does not constitute an offer, or any solicitation of any offer, to buy or subscribe for any securities in Mediq N.V. Any offer will be made only by means of an offer memorandum. This announcement is not for release, publication or distribution, in whole or in part, in or into, directly or indirectly, Canada, Japan, Australia and the United States.*



## Press Release

### **Advent intends to make recommended all-cash full public offer for Mediq**

#### **Committed financing already in place**

##### **Transaction highlights**

- Advent and Mediq have reached conditional agreement on a recommended full public offer by Advent for Mediq of € 13.25 (cum dividend) in cash per ordinary share, representing a premium of 53% over the closing price of Mediq on 21 September 2012
- The Management Board and Supervisory Board of Mediq fully support and unanimously recommend the Offer
- Templeton Investment Counsel and Silchester International Investors have irrevocably confirmed to support and accept the Offer, representing 20.2% of Mediq's outstanding shares
- Committed financing already in place

##### **Compelling strategic rationale**

- Advent's investment strategy is built around supporting growth in high quality businesses. With Advent's support and resources Mediq can address the challenges it faces in some markets, realise its full potential and execute its growth strategy. Advent therefore fully supports Mediq's growth strategy
- Advent is able to provide Mediq with ample financial backing, expertise and support for capital expenditures, investments and acquisitions in accordance with Mediq's strategy:
  - buy-and-build strategy for Direct & Institutional (distribution of medical devices)
  - further strengthening of Mediq's leading position in Dutch pharmacy market

- The public interest of healthcare requires a long term approach. Advent, in partnership with the Management Board of Mediq, believes that the Company's strategy over the longer term can be best supported as a private company
- Advent is an experienced investor in the Netherlands with a strong reputation supported by an investment history of over a decade in this region. Advent has a proven track record in healthcare, with global sector investment experience spanning more than two decades in more than 30 companies across a broad range of sub-sectors. This experience demonstrates Advent's support of Mediq's continued commitment to providing the best service to both patients and healthcare professionals
- Advent's extensive global reach and track record in supporting international growth means it is well placed to support Mediq into its next phase of development

### **Identity of Mediq maintained**

- Head office of Mediq in Utrecht, the Netherlands, maintained
- Advent maintains Mediq's key brands
- Mediq will maintain its mitigated large company regime
- Existing employee rights, including pension rights, will be respected and current employee consultation structure will be maintained
- There will be no redundancies as a direct consequence of the Offer

**London/Utrecht, 24 September 2012 – Al Garden B.V. (a newly incorporated wholly owned subsidiary of funds managed by Advent International Corporation (*Advent*) and Mediq N.V. (*Mediq* or the *Company*) jointly announce that they have reached conditional agreement in connection with a public offer by Advent for all issued and outstanding ordinary shares in the capital of Mediq at an offer price of € 13.25 (cum dividend) in cash for each Mediq ordinary share (the *Offer*). The offer price represents a 53% premium to Mediq's closing share price as at 21 September 2012 and a 47% premium to Mediq's average closing price for the three months up to and including 21 September 2012. The Offer values 100% of the issued and outstanding ordinary shares of Mediq at € 775 million.**

Tom Allen and Bram Grimmelt, *Advent*

*"We have been seeking an investment opportunity in the healthcare distribution sector for several years and are excited by Mediq because we see it as a strong business that can be built into a global leader. We are pleased to have reached a conditional agreement on our Offer with the Management Board and the Supervisory Board of Mediq and look forward to supporting the next stage of the Company's development."*

Sjoerd van Keulen, *Chairman of the Supervisory Board of Mediq*

*"In the second half of 2011 we have carefully and extensively executed a strategic review, considering all options for continuing our growth strategy, considering the interests of all stakeholders. We concluded that delisting Mediq and continuing in a private setting is the best way forward for our Company. As we received a detailed*

*indicative offer from Advent, the Supervisory Board of Mediq has conducted a prudent review of this intended Offer together with our advisors. We have carefully evaluated this Offer, including comparing it with strategic alternatives, and we are convinced that it is beneficial for Mediq and all our stakeholders. The Offer premium reflects these benefits. Advent supports Mediq's growth strategy and is committed to maintaining the current employee conditions, an appropriate governance structure and a prudent leverage. The Supervisory Board of Mediq fully supports and unanimously recommends the intended Offer from Advent as it deems such Offer very compelling in serving the interests of all our stakeholders."*

Marc van Gelder, Mediq's CEO

*"In the past seven years, Mediq has transformed itself from a Dutch company focused on pharmaceuticals to an international company with a leading position in the distribution of medical devices. In the Dutch pharmacy market we have built a chain of 225 pharmacies with a strong brand, which provides us with a strong basis in this challenging market. We want to continue on this path and Advent, with its strong track record in healthcare, will support us in our ambition. They value our reputation as a responsible employer and a strong partner for healthcare payers, prescribers and manufacturers. Our commitment to deliver the best service to patients and healthcare professionals will remain unchanged and Advent understands and supports that."*

### **Strategic rationale**

The strategic review Mediq conducted in the second half of 2011 led to the preferred long term scenario of delisting the Company and continuing in a private setting. The public interest of healthcare requires Mediq to be very prudent in the way Mediq deals with the challenging market conditions. This necessitates a long-term approach, which is not always aligned with the focus of the public capital markets. In addition, the volatile climate of the stock exchange might limit Mediq's potential to financing acquisitions.

Advent has a strong track record of supporting international growth and clear understanding of the healthcare sector. Advent supports Mediq's growth strategy going forward: a buy-and-build strategy for D&I and a further strengthening of Mediq's leading position in the Dutch pharmacy market. Advent is able to provide Mediq with ample financial backing, expertise and support for capital expenditures, investment and acquisitions in accordance with Mediq's strategy.

### **Full support and recommendation**

Since the initial expression of interest from Advent, a transaction committee consisting of Sjoerd van Keulen and Wim van den Goorbergh (both members of the Supervisory Board of Mediq (the **Supervisory Board**), Marc van Gelder (Mediq's CEO) and Hans Janssen (Mediq's CFO) was formed and, together with all key external professional advisors, they have had conference calls and meetings on a very frequent basis to be updated on the latest developments, monitor the process, discuss the intended Offer and alternatives thereto as well as the considerations underlying the key decisions and resolutions in connection therewith. The Supervisory Board has held various meetings with its advisors with and without the members of the Management Board of Mediq (the **Management Board**) present. The decision to enter into the conditional agreement for the Offer has been made by the Supervisory Board after consultation with its advisors (without the Management Board attending).

With due consideration to a (potential) conflict of interest, the Management Board and the Supervisory Board (the **Boards**) have agreed to fully support and unanimously recommend the Offer to the Mediq shareholders. After careful consideration of all of

Mediq's strategic alternatives, the Boards believe this transaction provides a fair price to the shareholders and is in the best interests of the Company and all its stakeholders.

ING Bank N.V. has issued a fairness opinion to the Boards and ABN AMRO Bank N.V. has issued a fairness opinion to the Supervisory Board, and both have opined that the intended Offer is fair to the shareholders of Mediq from a financial point of view.

### **Irrevocable undertakings**

Major shareholders in Mediq, Templeton Investment Counsel and Silchester International Investors have agreed to an irrevocable undertaking to support and accept the intended Offer, subject to customary conditions. This accounts for 20.2% of the issued and outstanding ordinary shares in Mediq.

The individual Board members holding Mediq ordinary shares have also agreed to an irrevocable undertaking to tender their shares under the Offer.

### **Employees and corporate governance**

Advent recognises that Mediq's employees will play a pivotal role in the future of the Company and they will be treated accordingly. Current employee consultation structures, such as the central works council, will be maintained. Furthermore, all existing employee rights, including pension rights, will be fully respected. There will be no redundancies as a direct consequence of the Offer.

Advent is focused on ensuring that Mediq's key management is retained and is committed to providing them with career opportunities under new ownership. Advent, in consultation with the Management Board, intends to invite certain members of the management to participate in Mediq.

Mediq is to remain a separate legal entity with headquarters in Utrecht, the Netherlands, and Mediq's key brands will be maintained in relevant markets. Mediq will maintain its commitment to corporate social responsibility and it is intended that the corporate identity and culture will also be maintained.

Mediq will maintain the 2-tier board system, as is common in the Dutch market: a non-executive Supervisory Board and an executive Management Board. After successful completion of the Offer, the current Management Board will remain in place. The proposed Supervisory Board will consist of five members, one of which will be nominated by Mediq's central works council. The independent Chairman of the Supervisory Board will have certain veto rights to safeguard (i) various non-financial commitments for an agreed period of time after the settlement date (3-4 years) as well as (ii) the interest of Mediq's minority shareholders (if applicable).

### **Leverage**

The supervisory board has negotiated to ensure that after the Offer Mediq will remain prudently financed to safeguard business continuity through a period of market changes and provide ample room for further acquisitions after the intended Offer.

### **Financing of the Offer**

The Offer values 100% of the issued and outstanding Mediq shares at € 775 million. Advent will finance the Offer through a combination of debt and equity.

In this respect, Advent has, subject to customary conditions, secured fully committed debt financing from its lenders and has entered into binding documentation with its lenders. In

addition, Advent has entered into equity commitment documentation. Advent is therefore able to pay the aggregate offer price.

### **Pre-offer and offer conditions**

The commencement of the Offer is subject to the satisfaction or waiver of the following pre-offer conditions customary for a transaction of this kind: (i) no material adverse effect having occurred, (ii) approval of the offer memorandum by the AFM, (iii) Stichting Preferente Aandelen Mediq not having exercised its call option right to have protective preference shares issued to it, (iv) no revocation of the recommendation by the Boards, (v) no competing offer or mandatory offer, (vi) there being no partial offer in respect of which an offer memorandum has been submitted to the AFM for approval, (vii) no breach of the merger protocol having occurred, (viii) no notification having been received from the AFM that preparations of the Offer are in breach of the offer rules, (ix) no order, stay judgment or decree having been issued prohibiting the transaction, and (x) the required works council consultation procedures and other employee related notification procedures having been completed with respect to the Offer and the financing thereof.

If and when made, the consummation of the Offer will be subject to the satisfaction or waiver of the following offer conditions: (i) relevant antitrust clearance for the Offer, (ii) a minimum acceptance of 95% of the Mediq issued and outstanding ordinary shares outstanding on a fully diluted basis, (iii) Stichting Preferente Aandelen Mediq not having exercised its call option right to have protective preference shares issued to it and having agreed to terminate its call option subject to the Offer being declared unconditional, (iv) no material adverse effect having occurred, (v) no revocation of the recommendation by the Boards, (vi) no competing offer or mandatory offer having been announced, (vii) there being no partial offer made, (viii) no notification having been received from the AFM that preparations of the Offer are in breach of the offer rules, (ix) no order, stay judgment or decree having been issued prohibiting the transaction and (x) no breach of the merger protocol having occurred.

Advent can waive the offer condition of 95% acceptance of the Mediq ordinary shares, unless the acceptance level is below 66.66% in which latter event prior approval of Mediq is required.

### **Competing offer**

Advent and Mediq may terminate the merger protocol in the event a *bona fide* third-party offeror makes an offer which, in the reasonable opinion of the Boards, is a more beneficial offer than the Offer and (i) exceeds the Offer Price by 7.5%, (ii) includes commitments in relation to, *inter alia*, future governance, organisation and employee rights, which are substantially the same as those conditionally agreed upon in the merger protocol, (iii) includes substantially the same level of commitment in relation to financing of the Offer and (iv) is binding on the third party (a **Competing Offer**).

In the event of a Competing Offer, Advent will be given the opportunity to match such offer, in which case the merger protocol may not be terminated by Mediq. Mediq has entered into customary undertakings not to solicit third party offers.

On termination of the merger protocol on account of a Competing Offer that has been declared unconditional and has been settled or a material breach of the merger protocol by Mediq, Mediq will forfeit a termination fee to Advent equal to € 6 million.

On termination of the Merger Protocol because of the condition relating to competition clearance not being satisfied or waived, a material breach of the merger protocol by Advent or Advent failing to commence or pursue the Offer despite all conditions having

been satisfied or waived, Advent will forfeit a reverse termination fee to Mediq equal to € 6 million.

### **Indicative timetable**

Advent and Mediq will seek to obtain all the necessary approvals and competition clearances as soon as practicable, it being understood that Advent has agreed to take the necessary steps to obtain clearance from the competition authorities. The required advice and consultation procedures with Mediq's Central Works Council and unions will be commenced expeditiously.

Advent intends to launch the Offer as soon as practically possible and in accordance with the applicable statutory timetable. The offer memorandum is expected to be published and the Offer is expected to commence during Q4 2012. Mediq will hold an informative Extraordinary General Meeting (EGM) at least 6 business days before closing of the offer period in accordance with Section 18 Paragraph 1 of the Decree.

### **Advisors**

Deutsche Bank is acting as lead financial advisor and Rabobank and BNP Paribas are acting as financial advisor to Advent in connection with the Offer; ING Bank is acting as financial advisor to Mediq and ABN AMRO is acting as a financial advisor to the Supervisory Board.

Freshfields Bruckhaus Deringer is acting as legal counsel to Advent; Allen & Overy is acting as legal counsel to Mediq.

Marlborough Partners is acting as debt advisor to Advent.

FTI Consulting is acting as communications advisor to Advent and Citigate First Financial is acting as communications advisor to Mediq.

### **Further information**

The information in this press release is not intended to be complete and for further information explicit reference is made to the offer memorandum, which is expected to be published during Q4 2012. The offer memorandum will contain details of the proposed Offer. The Mediq shareholders are advised to review the offer memorandum in detail.

### **Media events and investor communication information**

A media conference call will be hosted today at 8.15 CET, access number +31 (0)20 717 68 68, access code: 78478286#.

An audio webcast for analysts will be held today at 10 CET; this meeting can be followed on [www.mediq.com](http://www.mediq.com) or by phone, access number +31 (0) 800 020 12 48 (NL) or 0808 23 81 650 (international), access code: 93010856.

A conference call for investors will be hosted today at 15 CET, access number +31 (0)20 717 68 68 (NL) or +44 (0)20 304 324 42 (international), access code: 73800841#.

## For more information

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### About Advent

Founded in 1984, Advent is one of the world's leading global buyout firms, with offices in 16 countries on four continents. A driving force in international private equity for more than 27 years, Advent has built an unparalleled global platform of over 160 investment professionals across Western and Central Europe, North America, Latin America and Asia. The firm focuses on international buyouts, strategic repositioning opportunities and growth buyouts in five core sectors, including healthcare, working actively with management teams to drive revenue growth and earnings improvements in portfolio companies. Since inception, Advent has raised € 19.4 billion in private equity capital and, through its buyout programmes, has completed over 270 transactions in 35 countries.

For more information, visit [www.adventinternational.com](http://www.adventinternational.com).

### About Mediq

Mediq is an international company delivering pharmaceuticals, medical devices and related care services. The patient is at the centre of everything we do. Mediq delivers via three channels: direct to people's homes (Direct), via hospitals, nursing homes and other healthcare institutions (Institutional) and via Mediq Pharmacies. Mediq operates in 15 countries. Its head office is located in Utrecht, the Netherlands. The company was founded in 1899 and has around 8,300 employees. Mediq is listed on Euronext Amsterdam. Mediq reported € 2.7 billion net sales in 2011.

For more information see [www.mediq.com](http://www.mediq.com).

### Restrictions

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### **Forward looking statements**

This press release may include “forward-looking statements” and language indicating trends, such as “anticipated” and “expected.” Although Advent and Mediq believe that the assumptions upon which their respective financial information and their respective forward-looking statements are based are reasonable, they can give no assurance that these assumptions will prove to be correct. Neither Advent nor Mediq, nor any of their advisors accepts any responsibility for any financial information contained in this press release relating to the business or operations or results or financial condition of the other or their respective groups.