

Press release

RAG-Stiftung gains stake in British engineering consultancy Pell Frischmann

- RAG-Stiftung Investment Company purchases 85 per cent of the British engineering consultancy
- Dr. Helmut Linssen: "It perfectly fits our investment criteria."

Essen/London, 5 October 2015. The RAG-Stiftung has invested in the British engineering consultancy Pell Frischmann through its investment firm, RAG-Stiftung Investment Company. The closing of the contract took place on 30 September 2015. The investment company bought 85 per cent of the shares of Pell Frischmann, which were previously owned by Dr. Wilem Frischmann and Sudhu S. Prabhu. The parties to the transaction have agreed not to disclose any information about the purchase price. The remaining 15 per cent of the shares are held by the brothers Ashu and Tushar Prabhu.

"In Pell Frischmann, we have once again found a company that perfectly fits our investment criteria," said Dr. Helmut Linssen, Chief Financial Officer of the RAG-Stiftung. "As an engineering consultancy, the company has outstanding expertise in the future-oriented infrastructure sector, and that gives it excellent prospects for growth." As part of its diversified capital investment strategy, the RAG-Stiftung is investing in specialized medium-sized companies that serve international growth segments in the fields of machine manufacturing, automation and industrial services.

The investment in Pell Frischmann is the first time that the foundation RAG-Stiftung has acquired shares of a British firm through RAG-Stiftung Investment Company. "Pell Frischmann is our first investment in the engineering consultancy segment through our subsidiary. This segment is also part of our investment focus. This investment is another step in the diversification of our portfolio on a regional basis," added Linssen.

Dr. Wilem Frischmann, the former majority shareholder of Pell Frischmann, said, "I am delighted that we have found an investment partner to help continue our company's legacy and provide an ideal platform for further growth."

Pell Frischmann is an owner-operated international company that has made minor acquisitions in recent years to strengthen its position and expand globally. Pell Frischmann is a highly respected engineering consultancy that has won numerous awards for its outstanding services and projects. The company focuses on high-growth infrastructure projects in areas such as water supply, transport and urban development. It has outstanding experts in the respective disciplines and

high growth potential in Europe and beyond. In 2014 Pell Frischmann generated turnover of £37 million (over €50 million).

A member of the family will continue to be a shareholder of the company and will manage the business in cooperation with an external manager. The previous majority shareholder, Dr. Wilem Frischmann, is retiring after having been responsible for the company's business operations for over 50 years. However, Pell Frischmann will continue to benefit from his experience and expertise, as Dr. Wilem Frischmann will serve as a strategic advisor to the company's Supervisory Board.

About Pell Frischmann:

Pell Frischmann is a leading engineering consultancy company with headquarters in London, UK. Since its establishment in 1926, the company has steadily expanded its international presence. It has locations in the UK, the Middle East and Asia and now offers the entire range of engineering consultancy services. Thanks to its innovative solutions, the company has been able to implement prestigious projects and win numerous honours and awards.

Further information about Pell Frischmann can be found at www.pellfrischmann.com

About the RAG-Stiftung:

The private-law RAG-Stiftung was established in 2007. The RAG-Stiftung aims to accumulate sufficient assets by the end of 2018 so that it can begin to finance the perpetual obligations (Ewigkeitslasten) of RAG's coal mining activities in the Ruhr and Saar regions of Germany in 2019.

For more information about the RAG-Stiftung, please visit www.rag-stiftung.de

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