

Press Release May 27th 2020

MECACHROME RAISES €50 MILLION IN EQUITY TO ACCELERATE ITS TRANSFORMATION

The funds are provided by Ace Management, Mecachrome's main shareholder and GP of the Aerofund funds, besides Bpifrance, the group's historical partner.

Paris, 27th May 2020 – Mecachrome, the European leader in the manufacturing of parts for the aerospace and automotive industries, has just completed a significant fundraising from its historical shareholders while the industry is still suffering the effects of the Covid-19 crisis. Mecachrome will accelerate the implementation of its transformation plan to position itself favourably ahead of the recovery. At the same time, the company has benefited from a State-guaranteed loan from its banks to secure its cash flow requirements with a financing of €60 million.

Mecachrome is a leading player in its markets, specializing in the manufacturing of complex mechanical parts for aircraft structures and aeronautic and automotive engines. Already involved in a transformation process under the impetus of its CEO Christian Cornille, who arrived in mid-2019, the group positions itself as a long-term partner of major OEMs such as Airbus, Safran, Bombardier, Rolls-Royce and Porsche. Mecachrome is based on 3 continents with a total workforce of around 2,800 employees. In addition, Mecachrome has a solid experience in the deployment of industrial 4.0 solutions for customers such as Ferrari, Renault or Safran.

The operation is backed and will be carried out by the main shareholder Ace Management, through a dedicated fund combining the holdings in Mecachrome of the Aerofund funds and the Fonds de solidarité FTQ (« Fonds »), and by Bpifrance, the group's historical shareholder. They will together bring €50 million in equity to Mecachrome alongside the financing provided by its banking partners under a PGE. This significant fundraising is likely to strengthen Mecachrome and flags its entry into a new phase of transformation.

*"This fundraising operation is one of the pillars of the "ONE MECACHROME" company project. We also need to regain an ambitious commercial dynamic despite difficult market conditions and redefine an efficient and optimised industrial footprint in line with our customers' new assumptions", says **Christian Cornille, Chairman of Mecachrome.***

*"Despite the economic crisis facing the aerospace sector, we are convinced that Mecachrome's strategic positioning combined with solid fundamentals and a renewed management team in 2019 make it a solid platform for future consolidation. This transaction also reflects our willingness to commit ourselves more actively to the management teams by relying on our strong sector focus on aerospace and defence. It is through this positioning that we have been able to strengthen our long-term partnership with Fonds, one of the historical partners of the Aerofund funds." adds **Guillaume Benhamou, Managing Partner at Ace Management.***

*For **Eric Lefebvre, Member of the Management Committee of Bpifrance Capital Développement,** "Bpifrance confirms its commitment to the Mecachrome group, in partnership with Ace Management, a key player in the sector. We are confident in the ability of Christian Cornille and his teams to implement a transformation plan that meets the challenges ahead. This renewed partnership allows us to reaffirm our ambition for Mecachrome within the French and European aeronautics industry".*



Involved in the transaction:

Mecachrome:

Christian Cornille – CEO
Christophe Klieber – CFO

Mecachrome counsels:

Legal: Gibson – Jean-Pierre Farges, Amanda Bevan-de Bernède
Financial: 8 Advisory – Pascal Raidron, Shafik Hosni, Edouard Dutheil, Julien Léauté

Ace Management:

Guillaume Benhamou
Mathieu Sibra
Olivia Ver Hulst
Maréva Fréjean
Pierre-Charles Kaladji

Ace Management counsels:

Legal: Cabinet Goodwin – Céline Domenget-Morin, Thomas Dupont-Sentilles, Arnaud David

Bpifrance Investissement:

Eric Lefebvre – Member of the Management Committee of Bpifrance Capital Développement
Stanislas de Tymowski – Investment Director
Aurélien Auvray – Investment Manager
Pierre-Yves Denez – Deputy Legal Director

Bpifrance Participations counsels:

Legal: Willkie Farr & Gallagher - Alexandra Bigot, David Lambert, Batiste Saint-Guily

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About Mecachrome

The Mecachrome Group is a High Precision Mechanics world leader. For 80 years, Mecachrome has been a key player in the design, engineering, machining and assembly of high-precision parts and assemblies for the aerospace, automotive, motor sport, defence and energy industries.

Thanks to its industrial expertise and cutting-edge technology, Mecachrome has earned an international reputation as a first-rate integrator for its customers, which include: Airbus, Boeing, Safran, Rolls Royce. Mecachrome has 13 production sites worldwide and employs more than 2,800 people.

Further information: <http://www.mecachrome.com/>

About Ace Management

ACE Management (a subsidiary of Tikehau Capital) is a private equity firm specialised in the industrials and technology sectors, with c. €400m in assets under management.

Founded in 2000, Ace invests through sector-focused approaches (Aerospace & Defence and Cybersecurity / Trusted Tech). Ace has built its model on partnerships with large corporates, which enable the firm to take a differentiated approach when investing.

Further information: <https://www.acemanagement.fr/>

About Bpifrance

Bpifrance's equity investments are made by Bpifrance Investissement. Bpifrance, owned by the French government and the Caisse des dépôts et consignations, finances companies - at every stage of their development - in credit, guarantees and equity. Bpifrance helps them in their innovation projects and internationally. Bpifrance also ensures their export activity through a wide range of products. Consulting, university, networking and acceleration programs for start-ups, SMEs and ETIs are also part of the offer proposed to entrepreneurs. Thanks to Bpifrance and its 50 regional offices, entrepreneurs benefit from a close, unique and efficient contact to help them face their challenges.

Further information: www.Bpifrance.fr – Follow us on Twitter: @Bpifrance - @BpifrancePresse