



7 July 2017

**AURELIUS Equity Opportunities**  
Conference Call

AURELIUS sells

Getronics



to





# AURELIUS acquired Getronics from KPN in 2012

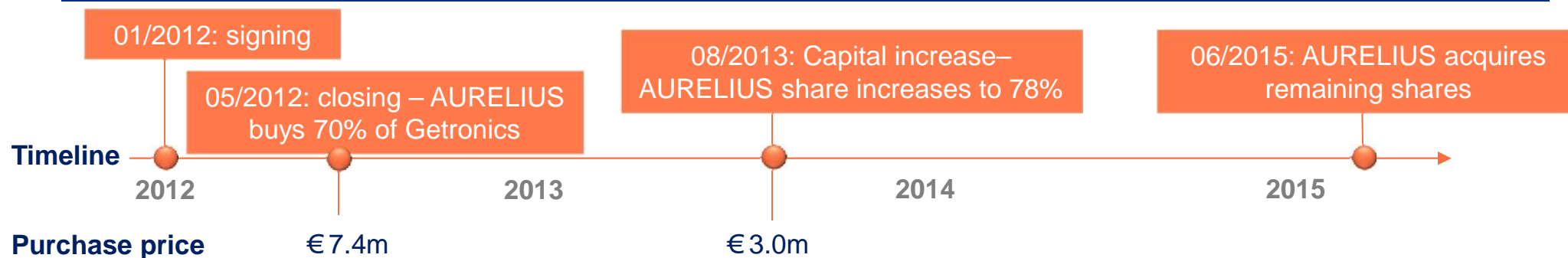
## Why Getronics? Why AURELIUS?

### Starting point

- In 2007 KPN took Getronics private
- KPN started an exit process in Q3 2011
  - ⇒ signing ahead of 2011-numbers press conference required
- Press conference in January 2012:
  - Concentration on core business Netherlands & telecommunication
  - Sale of remaining parts of Getronics to AURELIUS
- Complex transaction structure
  - Multi-country
  - Post-closing SLAs
  - 30% of shares remain with KPN

### What was KPN looking for?

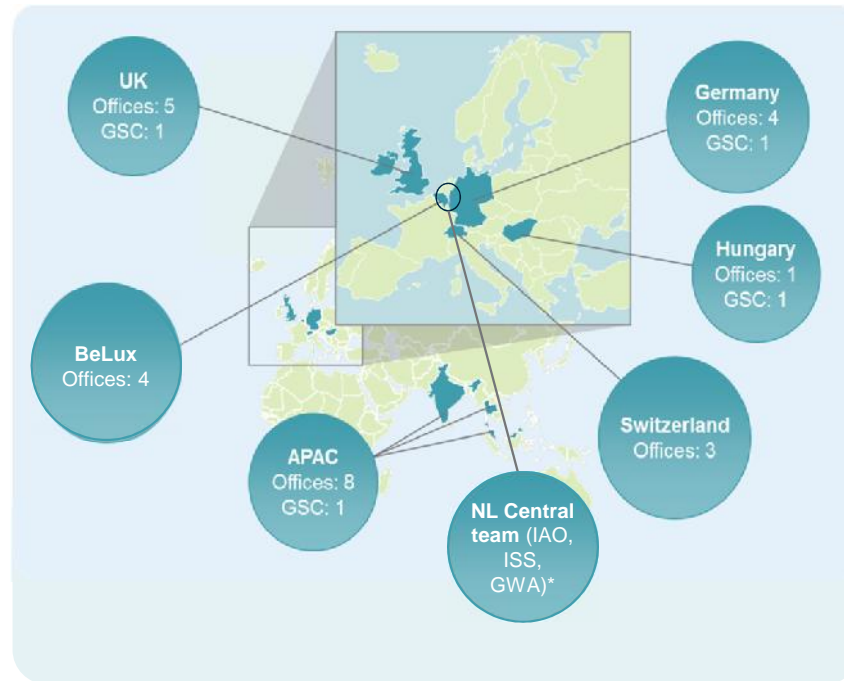
- A buyer experienced in complex carve-out situations
- Timing / speed
  - DD within 2 months
  - No financing requirements
  - Short decision making process
- 'lean' SPA / SLAs
- Transaction security
- Availability of management capacity to ensure a smooth carve-out and a stable operating business





- Present in 10 countries
- 6 OpCos
- 4 Global Service Centres

- Revenue: ~ €330m
- Negative net earnings



- 2,700 FTE's in total
- Thereof 1,400 Engineers
- 120 Project Managers

- Onsite support / Field Service
- Service Desk
- Data Centre
- Connectivity
- Products

- Approx. 800 clients (35+ Fortune 500)





## Low customer satisfaction

- High complexity (Pre-Sales, Delivery,...)
- Limited innovation and low customer value
- Below average renewal rates

## Financial transparency

- Low transparency and standardized reporting/controlling missing (Cash, profitability by customer,...)
- No approval process for Capex, Opex, FTE
- Undercapitalization (KPN = 'Bank')
- Balance Sheet not cleaned-up (Pension liabilities, accounts receivables, accounts payables,...)
- Generous granting of unnecessary parent guarantees (PCGs)

## Corporate Culture/Management

- "Culture of discussion", little decision making
- Missing cost awareness
- Risk aversion
- Politics: global vs. local
- Excessive salary structure



# Rhetorical questions as an indication of initial mindset

*Excerpt from questions posed as part of the cost-cutting programme*

Does it make sense to invest **€4m** in a 'new-way-of-working' office when the company is losing money?

Why does 1 OpCo need a fleet of 700 cars costing **€910k p.a.**, even though it only has 600 employees?

Why is Getronics paying for a manager's garage for his private Aston Martin **(€15k p.a.)** and for the installation of a socket to prevent the battery from losing charge **(€7k)?**

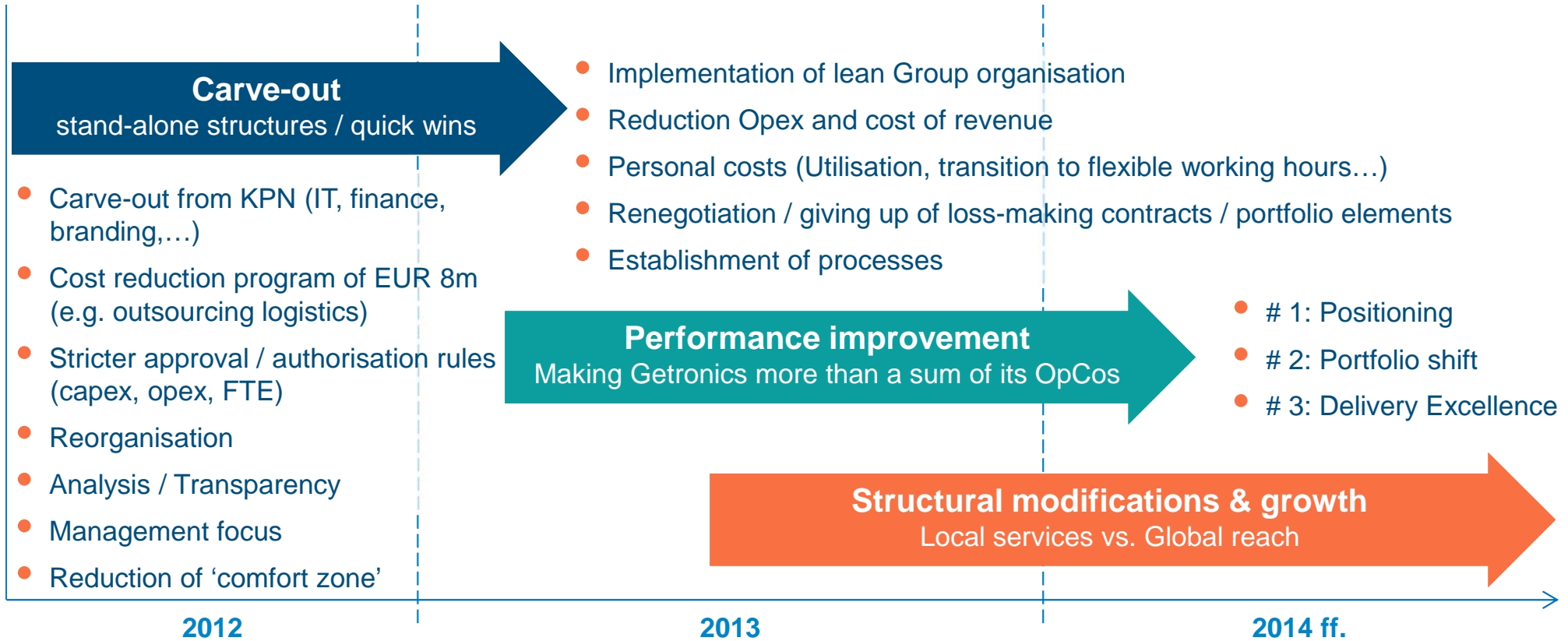
Is it necessary for an office used jointly by 1 OpCo and 1 Service Center to have 2 entrances and thus 2 front desks with total costs of **€85k p.a.**?

Why does Getronics need 3 HR helpdesk agents with total costs of **€240k p.a.** to answer questions such as: 'How high will my monthly pension be if I retire 12 years from now?'





## 3 phases of the successful realignment of Getronics by AURELIUS



**AURELIUS task force**



## Portfolio / Revenues vs. Profitability

- 4 strategic portfolio elements instead of 20
- Portfolio roadmap following existing customers and project pipeline
- Comprehensive exchange of resources (Resources from Global to OpCos)
- Standardisation of tool landscape and performance tracking
- Standardisation of processes
- From Hunting to Killing (Sales reporting, etc.)

## Financial Transparency

- Standardisation of tool landscape
- Launch standardised controlling
- Implementation of profitability analysis per customer
- Setup of a sustainable financing structure with reduced complexity
- Installation of Capex- and FTE board

## Customer satisfaction

- Implementation of customer and renewal roadmap
- Innovation workshops
- Systematic customer surveys

## Corporate Culture / Management

- Replacement of low performers
- Precise definition of responsibilities – from global to local
- Standardised and revised target setting
- Regular Board-Newsletter
- Win-Announcements
- Group Intranet





# Key factor for success: Getronics as M&A platform

## Add-on acquisitions by Getronics

	2012	2012	2013	2013	2016
	 Investment in IT Consulting	 Acquisition of Thales Spain & Argentina, and re-branded to connectis	 Acquisition of NEC's activities in UK, ESP, POR and SUI	 Acquisition of consulting activities in Spain and South America	 Acquisition of Colt's managed cloud business
	2012		2013		2016
Revenues[€m]	32	37	21	34	60
Employees	600	600	120	700	250
Profitability	- - -	+ / -	+	- -	+++
Countries	ESP	ESP, ARG	UK, ESP, POR, SUI	ESP, BRA, CHL	11
Portfolio	Applications, Consulting	Applications	Unified Communications	Applications, Consulting	Cloud



**€446m**  
FY16A Revenue

**4,700**  
employees

**12**  
accessible European data centres

Service delivery capabilities  
in **90+** countries

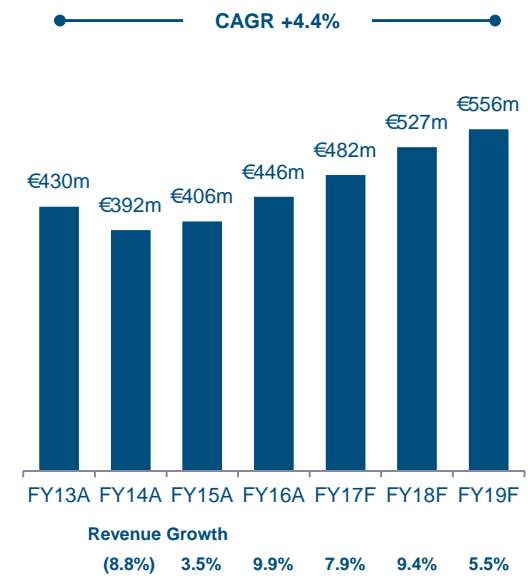
**€28.3m**  
FY16A EBITDA

**90%**  
services revenue  
in FY16A

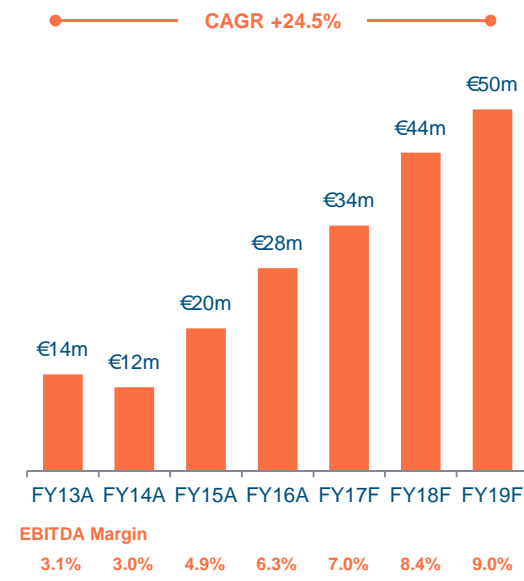
**6**  
global service centres

**1,800**  
customers globally including

### Revenue Profile & Growth



### Adjusted EBITDA Evolution & Margin



## JULY 2017: Disposal of

# Getronics



July 2017

AURELIUS Group  
sells

Getronics



to



### Buyer

Cimcorp/Nana Bafour Group has extensive experience with ICT investments and made numerous investments in ICT companies in the Americas.

In this transaction, he is being supported by prestigious financing partners White Oak Global Advisors, Permira PDM and H.I.G. WhiteHorse.

### Transaction overview

- Purchase price (EV): EUR 220m
- Multiple on money invested: approx. 18.5x
- Earnings impact: approx. EUR 160m

# FINANCIAL CALENDAR / RESEARCH



## FINANCIAL CALENDAR

March 29, 2017	Annual Report 2016
May 2, 2017	Press Release Q1 2017
May 2, 2017	Capital Markets Day, London
June 21, 2017	Annual General Meeting, Munich
August 10, 2017	Half-Year Report 2017
November 9, 2017	Press Release 9-Months 2017

## RESEARCH

Commerzbank	€ 82.00/buy (19.05.2017)
Berenberg	€ 80.60/buy (03.05.2017)
Hauck Aufhäuser	€ 65.00/buy (04.05.2017)
Baader/Helvea	€ 58.90/buy (21.06.2017)
Oddo Seydler	€ 51.00/buy (03.05.2017)

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