

## New Equity Partners for Breitenfeld AG

*Morgan Stanley Private Equity and BAST Investment Group agree to acquire an equity stake in Breitenfeld AG from the majority shareholders of the Austrian specialty steel producer, Fides Privatstiftung and Fortis Privatstiftung, who recently bought back the shares owned by financial investor DZ Equity Partner GmbH.*

Pursuant to a definitive agreement, Morgan Stanley Private Equity and BAST Investment Group have agreed to acquire a 38.5% stake of Breitenfeld, approximately 90% of which will be owned by Morgan Stanley Private Equity. DZ Equity Partners held the majority of the stake being acquired from Fides Privatstiftung (a foundation owned by Rudolf Jurak) and Fortis Privatstiftung (a foundation owned by Herbert Buhl). Fides Privatstiftung remains the majority owner of Breitenfeld AG.

“During the last 10 years, we have been successful in positioning ourselves in a specialised niche within the steel industry,” said Mr. Jurak, CEO of Breitenfeld AG. “We have sustained strong growth in recent years and have an excellent outlook for the future.”

### PRESTIGIOUS EQUITY PARTNERS

Morgan Stanley Private Equity makes private equity and equity related investments on a global basis. To date, Morgan Stanley Private Equity and its predecessor funds have invested nearly \$6.5 billion of equity across a broad spectrum of industries. This investment is the fourth and largest industry deal for BAST Unternehmensbeteiligungs AG, which was founded 18 months ago by Barbara Wösner-Sandberg and Stefan Zapotocky. BAST Investment Group is in the process of a share capital increase to raise equity to finance further investment opportunities.

“The two owners, Mr. Jurak and Mr. Buhl, have an outstanding track record developing Breitenfeld into a leading company in the specialty steel sector,” said Michael Hehn, Managing Director of Morgan Stanley Private Equity in Europe. “The new investor group will support the company in the next phase of its expansion.”

“We are very happy about the completion of this investment in a profitable and well established company. It is an important step towards our objective of developing and further diversifying the BAST industry portfolio,” said BAST management.

Morgan Stanley acted as financial advisor to Morgan Stanley Private Equity, and the management company of the BAST group played a major advisory role in arranging the deal.

### MEDIUM TERM GOAL: CAPITAL MARKETS

On signing the deal on 17 June all parties expressed their interest in Breitenfeld AG going public in the medium term. “We will be working on a global expansion strategy for Breitenfeld with significant investments in capacity expansion,” was the statement of all four parties to the acquisition contract.

## **ABOUT BREITENFELD AG**

Breitenfeld was founded more than 65 years ago and focused on producing specialty, high-grade steel ten years ago. Since then, the Company has experienced a decade of steady growth. Key industries for Breitenfeld's products include power generation, oil and gas, mechanical engineering, transportation (aviation and shipbuilding) and tool steel.

Breitenfeld's specialty steel plant is located in Mitterdorf/Wartberg in Styria, Austria where the Company also operates a forgery where some of the steel produced is forged. The Company's biggest markets are Italy, followed by Austria and Germany.

## **ABOUT MORGAN STANLEY PRIVATE EQUITY**

Morgan Stanley Private Equity, part of Morgan Stanley Investment Management's Merchant Banking Division, makes private equity and equity-related investments on a global basis. Morgan Stanley Private Equity utilizes Morgan Stanley's vast resources, including the Firm's global franchise and relationships with leading corporates, management teams and financial sponsors, to source attractive opportunities for its investment funds. Morgan Stanley's roots in private equity investing date back to 1985 with the Morgan Stanley Capital Partners private equity funds.

Morgan Stanley is a leading global financial services firm providing a wide range of investment banking, securities, investment management, wealth management and credit services. The Firm's employees serve clients worldwide including corporations, governments, institutions and individuals from more than 600 offices in 33 countries.

## **ABOUT BAST**

BAST AG Value & Invest Development is an Austrian, privately-owned, neutral and independent financial services company and investment boutique, which undertakes special investment, shareholding and capital market projects. Its objective is to increase corporate value and assets through the application of capital market techniques, instruments and use of its network within Central Europe.

As management company, BAST AG advises and manages the BAST Investment Group consisting of BAST Beteiligungsinvest AG and BAST Unternehmensbeteiligungs AG. One of its core competences is guiding companies towards the capital markets.

## **FURTHER QUERIES:**

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Press photos have been made available on [www.bast-ag.at/presse](http://www.bast-ag.at/presse)