



**PRESS RELEASE**  
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## **Punch Powertrain secures EUR 24 million capital**

### **Gimv and Capricorn supply additional funding for the further development and commercialisation of Punch Powertrain's CVT drivetrains**

Punch Powertrain ([www.punchpowertrain.com](http://www.punchpowertrain.com)) is an independent manufacturer of Continuously Variable Transmission systems (CVTs) for cars. The company was acquired by Punch International in 2006. In May 2009, LRM carried out a capital increase of EUR 7 million and obtained 30% of the shares in return. Recently, LRM exercised its option on the remaining 70% of the shares, causing Punch International to disappear from the Punch Powertrain shareholdership. In order to support its further growth, Gimv and Capricorn jointly invest EUR 24 million in the company today. LRM remains a reference shareholder.

To this investment totalling EUR 24 million Gimv contributes EUR 18 million and Capricorn Venture Partners adds another EUR 6 million. Furthermore, Punch Powertrain received another series of bank credits, totalling more than EUR 30 million, to sustain its growth. The Gimv investment is carried out for the account of the Gimv-XL Fund, whereas Capricorn Venture Partners invests through its Capricorn Cleantech Fund. LRM remains an important investor with a 38% shareholding, while Gimv and Capricorn obtain a share of respectively 46% and 15%.

**Cor van Otterloo, CEO at Punch Powertrain**, explains: *"We are very proud that new investors like Gimv and Capricorn enter into the shareholdership beside LRM. This additional capital round allows Punch Powertrain to realise its ambitious growth plan in the years to come, implying a solid expansion of their production capacity as well as the launch of innovative drivetrains for vehicles."*

**Alain Keppens, Head of Gimv Buyouts & Growth Belgium**, adds: *"After VCST this is Gimv's second investment in a supplier to the automotive industry, yet again in excellent collaboration with LRM. We are very impressed by Punch Powertrain's current and future expansion on the Chinese market, which has meanwhile grown into the most important worldwide. Moreover, the market share of Punch Powertrain's customers in China increases significantly. Companies with a growth potential like Punch Powertrain's are very rare. For this reason, Gimv is pleased to put its shoulders to the wheel."*

*"Having lived through a rough patch, Punch Powertrain now finds itself in a transition phase while switching to new customers. During this difficult time, LRM decided to invest in Punch Powertrain because of its existing innovation and growth potential. Our good judgement has now been confirmed by the entry of two new and complementary partners, Gimv and Capricorn. The extra capital of over EUR 54 million gives Punch Powertrain the opportunity to realise an international breakthrough as an innovative Limburg supplier to the automotive industry."*, states **Stijn Bijmens, CEO at LRM**.

*"Over the last years, besides modernising its product range, Punch Powertrain has laid the foundation for innovative solutions in the field of hybrid and electric vehicles; which are essential technologies contributing to the reduction of CO2 emission of vehicles. Punch Powertrain not only has a strong*

*development department, it also disposes of the network and the manufacturing experience to market these solutions”, continues **Jos Peeters, Managing Partner at Capricorn Venture Partners.***

### **About Punch Powertrain**

The company was founded by DAF in 1972 and shortly afterwards launched the legendary Variomatic, the forerunner to the current CVTs. With its present generation of CVTs, top three player Punch Powertrain fully responds to the strong expansion of the Asian automotive market. Today, it can count Asian OEM's like Proton, BYD, Greatwall, Haïma, Southeast and Geely among its customers. The latter company is currently all over the news for acquiring Volvo. CVTs have the advantage to operate on a more optimal engine RPM range, which contributes to user comfort and provides lower fuel consumption and subsequently better emissions. These benefits make it an utterly fit transmission system for urban traffic. Furthermore, Punch Powertrain is developing a successive generation of drivetrains for hybrid as well as electric cars. The main components of the transmission systems are designed, calibrated and manufactured in Sint-Truiden, whereas the assembly is carried out in the new, state-of-the-art factory of Punch Powertrain in China. The company employs 307 people, 194 of which are located in Sint-Truiden. These numbers will increase in the future.

[www.punchpowertrain.com](http://www.punchpowertrain.com)

### **About Gimv**

Gimv (Euronext Brussel: GIMB, Bloomberg: GIMB BB, Reuters: GIMV.BR) is a European investment company with nearly 30 years of experience in private equity and venture capital. The company is listed on NYSE Euronext Brussels and currently manages around EUR 1.8 billion of assets (including third party funds). Gimv undertakes buyouts and provides growth capital to established companies. Local teams in Belgium, France, The Netherlands and Germany concentrate on these activities. Gimv makes venture capital investments in high tech sectors through its specialist teams in Life Sciences, Technology and Cleantech.

The Gimv-XL fund focuses on medium-sized and large growth companies with an enterprise value of EUR 75 to 750 million. These companies have healthy business activities and the potential to grow from the Flemish into the international market. In March 2010, the Gimv-XL fund had its final closing at EUR 609 million.

[www.gimv.com](http://www.gimv.com)

### **About LRM**

LRM is a profit-driven investor that offers entrepreneurs a unique combination of venture capital and real estate. Oxygen for growth!

LRM is a generalist, but has acquired a specific expertise in ICT, Life Sciences and Cleantech. LRM's activities contribute to the economic development and the general employment in Limburg province. They are oriented towards all sectors and companies, from start-ups to growing SMEs to major businesses. LRM is active in five domains: ICT & Media, Life Sciences, Cleantech & Energy, SMEs & Major Businesses.

[www.lrm.be](http://www.lrm.be)

### **Over Capricorn Venture Partners**

Capricorn Venture Partners is a pan-European manager of venture capital funds seeking to invest in technology based growth companies. Capricorn is investing out of its € 112 million Capricorn Cleantech Fund.

The Cleantech Fund invests in European growth companies developing innovative breakthrough technologies in the fields of renewable energy and energy efficiency, water purification and re-use, biobased material conversion and biorefinery platforms, clean air, climate change, green chemistry and advanced materials, materials recovery and recycling. The investment team of Capricorn is composed of experienced investment managers with deep technology expertise and a broad industrial experience. The Capricorn Cleantech Fund benefits from investment by the European Investment Fund through the "Competitiveness and Innovation Framework Programme" of the European Union.

[www.capricorn.be](http://www.capricorn.be)

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