

Stork N.V.  
Corporate Communications &  
Investor Relations

7, Amersfoortsestraatweg, 1412 KA Naarden  
P.O. Box 5004, 1410 AA Naarden  
The Netherlands

Telephone : +31 (0)35 695 75 75  
Telefax : +31 (0)35 694 54 14

Naarden, 26 June 2007

## Press release

*This is a joint press release of Stork N.V. and London Acquisition B.V. pursuant to the provisions of Section 9b, subsection 2.a, of the Dutch Securities Trade Supervision Decree 1995 (Besluit toezicht effectenverkeer 1995). This is not a public announcement that a public offer is to be made, but that the expectation is justified that agreement can be reached on the terms and conditions of an offer agreement. Not for release, distribution or publication, in whole or in part, in the United States of America, Japan or Canada.*

### Intended recommended cash offer of EUR 47 per share for Stork

#### Key Highlights

- **London Acquisition B.V. (“the Offeror”), a holding company controlled by funds managed and advised by, or affiliated with, Candover<sup>1</sup>, intends to make a recommended cash offer of EUR 47 ex dividend per ordinary share in Stork N.V. (“Stork” or the “Company”) which represents a total value of EUR 1.5 billion;**
- **The Intended Offer price represents a 19% premium over Stork’s average closing share price of EUR 39.38 for the three months prior to 19 June 2007, the day on which Stork announced that it was discussing the Intended Offer with Candover;**
- **The Supervisory Board, including the Extraordinary Supervisory Board members, and the Management Board of Stork fully and unanimously support and recommend the Intended Offer;**
- **The Stork Works Council has been informed and believes the transaction is a good step to allow Stork to continue with its strategy;**
- **Stork’s shareholders Centaurus and Paulson, who collectively own approximately 33% of the issued ordinary share capital of Stork, have expressed their support for the Intended Offer and have irrevocably committed to tender their shares in Stork under the Intended Offer, when made;**

<sup>1</sup> Candover means Candover Investments plc and / or one or more of its subsidiaries, including Candover Partners Limited as Manager of the Candover 2005 Fund.

- **The Offeror supports the strategy of the Management Board of growing the three businesses autonomously and by selective acquisition which it believes will create a more stable environment for Stork, its employees and customers;**
- **All existing rights of the employees will be respected by the Offeror. There will be no direct negative consequences for the existing employment level of Stork as a result of the Intended Offer, when made.**

Stork and the Offeror, a holding company newly incorporated in the Netherlands, jointly announce that the expectation is justified that agreement can be reached between Stork and the Offeror in connection with a public offer by the Offeror for all of the issued and outstanding ordinary share capital of Stork at an offer price of EUR 47 ex dividend (“Offer Price”) in cash per ordinary share (the “Intended Offer”). The Offeror is affiliated with and controlled by funds managed and advised by Candover. Parties will take further steps in the coming weeks to reach complete agreement on the Intended Offer.

The Supervisory Board, including the Extraordinary Supervisory Board members appointed by the Enterprise Chamber of the Court of Appeals in Amsterdam (the “Supervisory Board”), and the Management Board of Stork conclude that, after giving consideration to the strategic, financial and social aspects of the proposed transaction, the Intended Offer is in the best interest of its shareholders and other stakeholders. They fully and unanimously support the Intended Offer and recommend that shareholders tender their shares under the Intended Offer, when made.

Jan Kalff, Chairman of the Supervisory Board of Stork:

“The Supervisory Board welcomes the proposed transaction as it reflects the strengths of the Company. We have carefully reviewed the intended offer and, taking into account our responsibilities, have unanimously come to the conclusion that this is in the best interest of our shareholders and other stakeholders. Candover supports our strategy and has agreed to structure the financial leverage in such a way, that it provides the financial flexibility needed during this growth phase of the Company.”

The Intended Offer is an all-cash offer for all of the issued and outstanding share capital of Stork. Based on the Offer Price of EUR 47 per ordinary share, the Intended Offer values the outstanding share capital (30,403,423 shares) at approximately EUR 1.5 billion. The Offer Price represents:

- a premium of 11% relative to the closing share price of EUR 42.21 of an ordinary share on 18 June 2007, the last trading day prior to 19 June 2007, the day on which Stork announced that it was discussing the Intended Offer with Candover;
- a premium of 19% relative to the average closing price of an ordinary share during the last three months prior to 19 June 2007, the day on which Stork announced that it was discussing the Intended Offer with Candover.

The aggregate value of the proposed transaction is approximately EUR 1.6 billion, including net financial indebtedness. This implies a multiple of approximately 10 times 2006 normalised<sup>2</sup> EBITDA (EUR 162 mio).

<sup>2</sup> Corrected for advisory costs (EUR 18 mio) and bookprofit divestments (EUR 66 mio)

### **Background to the Intended Offer**

Candover approached Stork with an indicative proposal for an offer. Based on this proposal, the Supervisory Board and the Management Board of Stork decided to explore this possibility further.

The Intended Offer will have a number of advantages for Stork, its shareholders, employees, customers and other stakeholders:

- Candover has extensive experience and a strong track record in the industrial sector and has the resources to support management teams in growing their businesses;
- The Offeror has addressed criteria of the Supervisory Board to structure the financial leverage in such a way, that it provides the financial flexibility needed for growth in the next stage of the development of the Company;
- The Offeror supports management's strategy of growing the three businesses autonomously and by selective acquisitions;
- The proposed transaction creates a more stable environment for the Company. It will enable management to focus on the daily business again and will create more certainty for employees and customers;
- The Intended Offer enables current shareholders to realise certain and immediate value in cash for their shares at an attractive price.

Sjoerd Vollebregt, CEO of Stork, said:

“For our employees, customers and shareholders the past 18 months have been turbulent times, in which the different opinions on strategy have been at the core of the discussions. In Candover we have found a partner who is committed to our operational rationale and supports the Company in the further roll-out of its strategy. At the same time it offers shareholders a fair value in cash terms. We believe the intended offer, which is supported by our major shareholders Centaurus and Paulson, is in the best interest of our stakeholders and brings Stork to calmer waters.”

Marek Gumienny, Managing Director of Candover, said:

“We are investing in a company with a unique portfolio of businesses and strong positions in growth markets. We are confident that the company is well positioned to take advantage of its existing strengths and future opportunities. For Stork it becomes business as usual again and we look forward to working with management during this important period for the company.”

### **Future of Stork & social aspects**

The Offeror supports Stork's growth strategy. The Intended Offer of the Offeror will not influence the previously announced sale of the Prints division. The Intended Offer as such is not expected to adversely affect the existing employment level and employment conditions of Stork. The Offeror will, if and when the Intended Offer is made and declared unconditional, respect all existing rights of the employees of the Company. The Offeror has indicated that it will comply with the regulations with respect to the employee co-determination regulations (*medezeggenschap*), as well as the arrangements entered into by Stork and the unions, including the existing social plans and collective labour agreements. In addition the Offeror will respect the existing obligations regarding pension rights of Stork's employees.

The Offeror shall have discussions with Stork's Central Works Council to assist Stork in obtaining a positive Central Works Council's advice. The Offeror will support, that in connection with this advice process, the undertakings set out above will be laid down in a covenant to be entered into with Stork's Central Works Council.

Jan C. Plat, Chairman Central Works Council Stork N.V.:

"The Central Works Council has always been of the opinion that Stork's strategy should be rolled out. The intended transaction would allow the company to do so. We will make a final decision when we have been able to examine all relevant aspects of this transaction."

### **Stork will operate as an independent entity**

The present members of the Management Board will stay in office. As is customary in this type of transaction, members of the senior management team will be invited after settlement of the Intended Offer to invest in the company alongside the funds managed and advised by or affiliated with Candover.

If the Intended Offer is declared unconditional, the present Supervisory Board members will resign and new Supervisory Board members will be appointed. The new Supervisory Board will be comprised of five members, with an independent chairman and one member nominated by the Central Works Council.

If the Intended Offer is declared unconditional, it is intended that Stork's listing on the Official Market of Euronext Amsterdam N.V. will be terminated as soon as possible. Furthermore, London Acquisition expects to apply legal possibilities contemplated by the Dutch Civil Code in order to acquire all shares by minority shareholders, in the event it acquires 95% of the shares, or take such other steps to terminate the listing and/or acquire shares not being tendered, including effecting a legal merger (*juridische fusie*).

### **Irrevocable undertakings from Centaurus, Paulson and management Stork**

Stork's major shareholders, Centaurus Capital Limited ("Centaurus") and Paulson & Co Inc. ("Paulson"), holding an aggregate of 10,367,047 shares representing approximately 33% of the issued share capital, support the Intended Offer. They have irrevocably undertaken to tender their shares under the Intended Offer, if the Intended Offer is made. The terms of this irrevocable undertaking will be published on Stork's website.

In addition, Messrs. Vollebregt, Schönfeld, Bouland and Van den Driest, members of Stork's Supervisory Board and Management Board, have irrevocably undertaken to tender their shares under the Intended Offer, if the Intended Offer is made. None of the other board members own Stork shares.

### **Procedure Enterprise Chamber**

Provided the Intended Offer is declared unconditional, Centaurus and Paulson will support a request to the Enterprise Chamber of the Court of Appeals that the enquiry initiated by the Enterprise Chamber into the affairs of Stork (*enquêteverzoek*) should be terminated. The Extraordinary Supervisory Board members will resign subject to the termination of this enquiry.

Cees van Lede, Extraordinary Supervisory Board member of Stork, said:  
 “The Extraordinary Supervisory Board members welcome the intended offer announced today. This offer has been made possible by a constructive dialogue between all parties involved. It would also resolve the issue between Stork and its two major shareholders while providing perspective for other shareholders and is in the best interest of other stakeholders of Stork, in particular customers and employees.”

### **Conditions precedent to declaring the Intended Offer unconditional**

As conditions precedent to declaring the Intended Offer unconditional, the customary conditions for this kind of transaction will apply. Amongst these will be regulatory approvals, the continuation of certain contracts relating to Stork's business in view of change of control provisions and the condition that at least 80% of each class of the issued and outstanding share capital of Stork has been tendered under the Intended Offer. In addition, the Intended Offer is conditional on the irrevocable undertakings by Centaurus and Paulson not having been terminated.

### **Further steps**

Parties will take further steps in the coming weeks to reach complete agreement on the Intended Offer. After complete agreement has been reached, the offer will be made and the offer memorandum will thus be published. It is currently expected that this will take place mid to late July. Subsequently, the Supervisory Board and Management Board will convene an extraordinary general meeting of shareholders to discuss the Intended Offer and to resolve certain matters in connection with it.

The Netherlands Authority for the Financial Markets, Euronext Amsterdam N.V., the Secretary of the Social Economic Council and the competent competition authorities and other relevant authorities such as the Committee of Foreign Investment in the United States have been or will be informed of the Intended Offer and, where relevant, will be requested to provide clearance in respect of the transaction. The Works Council of Stork has been duly notified and asked for advice.

### **Indicative timetable**

Publication of Offer Memorandum	Mid to late July
Extraordinary General Meeting of Shareholders	Beginning to mid August
Closing of the Intended Offer	Beginning to mid September

### **Advisors**

ABN Amro Bank is acting as financial adviser and De Brauw Blackstone Westbroek N.V. is acting as legal adviser to Stork. Kempen & Co is acting as financial adviser and Nauta Dutilh and Stibbe as legal advisers to the Supervisory Board of Stork. Barons Financial Services and Goldman Sachs International are acting as financial adviser and Clifford Chance is acting as legal adviser to the Offeror.

Goldman Sachs International, which is regulated in the United Kingdom by the Financial Services Authority, is acting for the Offeror and no one else in connection with the Offer and will not be responsible to anyone other than the Offeror for providing the protections afforded to clients of Goldman Sachs International nor for providing advice in connection with the Offer.

Debt financing will be provided by a group of banks, led by Barclays and Goldman Sachs.

**Press conference/conference call**

Press conference: 10.30 hr CET, Stork Werkspoormuseum  
Oostenburgergracht 77, Amsterdam  
Analyst meeting: 14.00 hr CET, Stork Werkspoormuseum  
Oostenburgergracht 77, Amsterdam  
Conference call / webcast: 14.00 hr CET, details on [www.stork.com](http://www.stork.com)

**About Stork**

Stork supplies systems, components and services in which the specialised Stork know-how in technology and production processes is applied. Its core activities are Aerospace, Food Systems and Technical Services.

Stork has a history of more than 178 years, making it one of the oldest industrial companies in the Netherlands. Its foundations are technological capability, innovation and professionalism. The company achieved a turnover of €2 billion and a net result of € 150 million in 2006 with 12,714 employees.

**About Candover**

Candover is a leading provider of private equity for large European buyouts. Founded in 1980, Candover has invested in 133 transactions with a value close to €40bn. Investment in deals by Candover is provided in two forms, from Candover Investments plc, a publicly quoted investment trust, and from funds managed by Candover Partners Limited, a wholly owned subsidiary.

In November 2005, Candover raised the €3.5bn Candover 2005 Fund which has made seven investments to date; the €415m acquisition of Capital Safety Group, the world's leading specialist designer and manufacturer of height safety and fall protection equipment, the acquisition of Parques Reunidos, a leading operator of regional attraction parks, the acquisition of a majority stake in Ferretti SpA, a leading manufacturer of high performance luxury motor yachts, the €1bn acquisition of Hilding Anders, a leading European mattress and beds manufacturer, the £349m acquisition of UK mail services company DX Services plc and merger with Secure Mail Services, the €450m buyout of Norwegian cable TV operator Get (previously UPC Norway), and the €480m buyout of EurotaxGlass's Group, a leading provider of automotive data and intelligence services.

The Candover Group has five offices in London, Paris, Düsseldorf, Madrid and Milan. Candover Partners Limited is authorised and regulated by the Financial Services Authority in the UK.

For more information see [www.candover.com](http://www.candover.com)

This press release is also published in the Dutch language. In the event of any inconsistency, this English language version will prevail above the Dutch language version.

---

**For further information please contact:**

**Stork N.V.:**

Dick Kors

Tel: +31 (0) 35 - 695 75 75

**Candover:**

Marek Gumienny

Tel: +44 (0) 20 7489 9848

or

Tulchan Communications

Susanna Voyle

Tel: +44 (0) 20 7353 4200