

Press release

21 March, 2002

Industri Kapital acquires majority in Gardena

The Industri Kapital 2000 Fund is providing equity for an acquisition holding company which has signed an agreement with the Kress and Kastner families whereby a majority in Gardena Holding AG will be acquired. Industri Kapital's intention is to further develop Gardena as a leading European garden equipment company and to acquire full ownership of Gardena.

Gardena offers a comprehensive range of garden products including water management, garden care as well as pumps and garden decoration throughout the world. The group had annual sales in excess of EUR 390 million in the fiscal year 2001 and employs approximately 2,900 people globally. Gardena is headquartered in Ulm / Germany.

Detlef Dinsel, Managing Director of Industri Kapital's Hamburg office said: "We view Gardena as a very attractive investment. Industri Kapital aims to support Gardena in strengthening its position as the European leader in the garden equipment sector and we see a great potential for the business to grow organically and through selected additional investments."

As CEO Dr. Wolfgang Jahrreiss explains: "With Industri Kapital as the new owner, the continuation of Gardena's successful corporate policy is assured. We are delighted to have found a partner which will help us pursue a clearly defined market leadership strategy in the years which lie ahead."

The acquisition is conditional upon approval from relevant competition authorities, after which a public tender offer is considered for the publicly listed preference shares of Gardena in accordance with the German Take-over Act (WpÜG). A consideration of Euro 26.00 per preference share is envisaged, however, the minimum final offer price will be determined by the German Authority for Stock Trading - Bundesaufsichtsamt für den Wertpapierhandel (BaWe).

The envisaged offer price of EUR 26.00 per preference share, represents a premium of 43% compared to the nine-months average price of the Gardena preference shares before the announcement of the family shareholders' intention to look for a co-investor on September 5, 2001 (EUR 18.1 per preference share).

Industri Kapital is one of the leading private equity firms in Europe with equity capital under management in excess of EUR 3 billion from Nordic, European and international institutional investors. Since its formation in 1989, Industri Kapital has, through its four funds, carried out 44 strategic investments. Industri Kapital's funds are currently the main owners of 25 companies with a total turnover exceeding EUR 11 billion.

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