

Kingsbridge Capital take over Märklin

- Change in shareholder structure offers new growth opportunities
- Märklin CEO Paul Adams: "Investment is creating new freedom to expand"

Göppingen/London, 11. May 2006 – Agreement has been reached on the future of the long-established Märklin company. The 22 former shareholders signed an agreement on 11 May 2006 that the company, founded almost 150 years ago and specialising in making high-quality model railways, would be sold to London-based investment company, Kingsbridge Capital.

"Märklin is one of the best brand names in the world with high quality standards and a loyal customer base", said Dr. Mathias Hink, CEO and Managing Director of Kingsbridge Capital Advisors, a member of the Austrian HARDT GROUP. "As the new owners we feel an obligation towards the long-established Märklin brand and will do everything in our power to actively support the management in making the most of opportunities to grow the company and to extend the brand towards young customers."

With the agreed joint investment by Kingsbridge Capital and Goldman Sachs the path is now clear to reposition the company, which should help Märklin overcome the current crisis period and achieve new profitable growth. The purchase price is not being disclosed.

Investment company Kingsbridge Capital, set up in 2004, consists of a team of highly experienced restructuring and finance specialists who have already invested in Kunert AG, Immenstadt and EWT Breitbandnetze GmbH, Augsburg in Germany.

Due to difficult trading conditions in recent years, Märklin had already launched a restructuring and cost saving program led by CEO Paul Adams. The challenges facing the company are currently overcoming current issues and achieving a turnaround in sales.

"In Kingsbridge Capital we have a reliable and solid partner one that is capable of responding quickly and flexibly to the needs of the company. This creates freedom for new expansion and that we are well positioned to deal with the challenges of the years ahead", said Paul Adams.

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About Kingsbridge Capital

Kingsbridge Capital, London is part of the HARDT GROUP, an international alternative investment company and was founded by Dr. Mathias Hink and Dr. Ion Florescu. With about 22 investment professionals in Vienna, London, Zug and New York the HARDT GROUP advises corporate clients and manages an actual total investment volume of 860 million USD. Kingsbridge Capital is a part of HARDT GROUP of private equity investors. As an active owner and working in close collaboration with the management of acquired companies, Kingsbridge Capital develops and implements strategies to add value to companies.