

Montupet's Board of Directors supports Linamar's draft tender offer

The Board of Directors of Montupet met on October 14, 2015 to review the terms and conditions of the draft Voluntary Cash Tender Offer. Linamar intends to file for 100% of the outstanding shares and voting rights of the Company at €71.53 per share. Following a detailed examination of Linamar's proposal, the Board of Directors of the Company has confirmed the friendly nature of Linamar's draft offer and has authorized its Chairman & CEO, Stéphane Magnan, to enter into a Tender Offer Agreement with Linamar on the same day, pursuant to which the Company has agreed to support Linamar's Tender Offer and not to solicit any other offers.

Linamar, a Canadian group, is a diversified full service manufacturer of precision metallic components and systems for a variety of global markets with a particular expertise in aluminum component machining. Linamar's core activity is machining parts for the automotive industry. The Board of Directors strongly believes that Linamar's proposal respects and reinforces two essential features of Montupet: the long term vision of an industrial player and the reality of a family-type management very similar to Montupet's.

Linamar's proposal will also bring:

- a diversified group active in machining, forging and pressure die casting; and
- the integration to a group whose size and global footprint shall give access to the most strategic decision makers at the OEMs.

The offer price proposed by Linamar amounts to €71.53 per share (in cash), representing a 15.5% premium compared to the closing price of Montupet shares as of October 14, 2015 and a 26.7% premium compared to the 30-day Volume Weighted Average Price (VWAP).

For all these reasons, the Board of Directors has confirmed the friendly nature of Linamar's draft offer and unanimously decided to support Linamar's Tender Offer.

"Montupet and Linamar complement each other very well combining leading expertise in casting and machining," stated Stéphane Magnan, Chairman & CEO of Montupet. *"Montupet has acquired a global reputation with manufacturers which has resulted in strong growth in sales supported by the company's very strong financial position today. We want to choose the right partner to continue this legacy. We strongly believe Linamar, with its global footprint, strong values, diverse process capabilities, automotive manufacturers relationships is a good choice to lead Montupet's growth and success in the long term. Linamar's offer is thus attractive for our business."*

The Company's senior managers and shareholders, who collectively own approximately 36.6% of Montupet's outstanding shares, have individually entered into agreements with Linamar pursuant to which they have agreed to tender their shares to Linamar's Tender Offer (it is specified that those undertakings may be revoked in the event a third party files a competing tender offer, unless Linamar files an ultimately successful increased offer).

Détroyat Associés has been appointed as independent expert by the Company's Board of Directors, which has decided to put in place an ad hoc committee of non-conflicted directors composed of Mrs. Lucie Maurel Aubert, Mrs. Virginie Russ and Mr, François Feuillet in order to ensure the supervision of the independent expert's mission.

The Company will launch the consultation procedure with employee representative bodies regarding Linamar's draft Cash Tender Offer as soon as possible.

The Board of Directors will deliver its reasoned opinion (*avis motivé*) on the Cash Tender Offer upon delivery of the independent expert's report and of the opinion of the central works council, which will be included in the draft reply document to be prepared by the Company and filed with the AMF in the course of November 2015, simultaneously with the draft offer document prepared by Linamar.

The Company has undertaken to pay a break-up fee to Linamar if certain events occur, including if the Company's Board of Directors withdraws its recommendation regarding Linamar's Tender Offer or recommends a competing tender offer filed by a third party.

Montupet is assisted by Jefferies and Oddo (financial advisers) and JeantetAssociés (legal adviser).

Montupet S.A. specialises in the design and production of highly-stressed cast aluminium components, principally for automotive applications. Since 1987, the Group has pursued a strategy of international development, resulting in a worldwide presence with seven production sites in France, Spain, Northern Ireland, Bulgaria, Mexico and India. Montupet is today a key supplier to global automotive manufacturers such as Renault-Nissan, Porsche, Audi, BMW, GM, Daimler, Volvo, PSA and Ford. In 2014, Group turnover came to €451.8 million with 3,300 employees throughout the world.

The draft Cash Tender Offer proposed by Linamar remains subject to examination and approval by the AMF. Linamar and Montupet will prepare and publish respectively a draft offer document and a draft reply document which will be made available on their respective websites and on the AMF's website.

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