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Argan Capital announces the acquisition of the DELSEY Group

Argan Capital (“Argan”), a leading pan-European mid-cap private equity fund, has announced the signing of an agreement for the acquisition of the DELSEY Group (“DELSEY”).

Based in Paris and Baltimore, DELSEY is the second largest travel luggage brand worldwide in its segment and distributes a complete range of travel luggage globally. The company is recognized for the quality, resilience and innovative design of its products. With sales in over 100 countries and 5 continents, DELSEY has a number 2 position globally in its segment (except in the U.S. where DELSEY has the third largest market share) and is the co-leader in France. The company has grown consistently over the past few years on the back of its innovative design and development of travel goods as well as strong customer relationships. The company employs approximately 300 staff and generates revenues of approximately Euro 110 million

Karim Ghannam, a Principal in Argan’s French Team says: *“We are very excited about the opportunity to partner with the strong management team of DELSEY to further develop and expand the company’s activities in its next development stage. We believe that DELSEY’s broad product portfolio, market-leading design capabilities and strong existing customer base will be key success factors for the future.”*

“Management is excited to partner with Argan and believes that Argan’s experience in developing mid-cap companies internationally will add significant value as DELSEY continues its development into one of the global market leaders by extending its product offering, geographical scope and best-in-class customer service. We strongly believe in the excellent prospects of the company and the attractive opportunities that the sector as a whole present.”, says Ebbe Pelle Jacobsen, CEO of DELSEY Europe.

Argan was advised by Latham & Watkins (legal), KPMG (financial) and Bain & Co (market and commercial). The vendor was advised by Rothschild Paris. European Capital provided the uni-rate debt financing for the buyout.

The transaction is expected to take effect in the first quarter of 2007 and is subject to the approval of the relevant competition authorities.



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Argan Capital

Argan Capital is an independent private equity fund focusing on acquiring and developing European mid-cap companies. With offices in London, Milan, Paris and Warsaw, Argan Capital seeks to acquire companies in the industrial, services and consumer sectors, creating value through active ownership and focus on revenue growth, improvement of core processes, industrial transformation and international development. The Argan Capital team comprises 12 professionals and is led by three Managing Partners: Wojciech Goc, Carlo Mammola and Lloyd Perry. The team has developed a particularly strong presence and portfolio of company investments in Italy, France, the Nordic countries and Central Europe. With financial commitments from large pension funds, insurance companies and fund of funds managers from both the US and Europe, Argan Capital recently announced the closing of its first independent fund, following its spin-out from Bank of America.

www.argancapital.com