

30 September 2014



MELROSE INDUSTRIES PLC

Melrose Industries PLC Announces the Acquisition of Eclipse, Inc.

Melrose Industries PLC ('Melrose') announces that its Elster Gas business has signed a conditional agreement for the acquisition of Eclipse, Inc. ('Eclipse'), a manufacturer of gas combustion components and systems for industrial heating and drying applications headquartered in Rockford, Illinois (USA). For its fiscal year ended March 31, 2014, Eclipse recorded sales of US\$126 million.

The total consideration of US\$158 million is payable in cash on completion. The transaction is on a debt and cash free basis and will be funded within the existing debt facilities of the Melrose Group. Completion is conditional upon obtaining anti-trust clearance in the United States and is expected to occur during November 2014.

Eclipse's long established expertise in low-temperature industrial gas combustion complements Elster's expertise in high-temperature industrial gas combustion applications in Europe.

Simon Peckham, Chief Executive of Melrose, said:

"We are delighted to welcome Eclipse to the Melrose Group and are excited about the opportunity to merge Eclipse with Elster Gas. Together, the two businesses will be able to provide customers with a more comprehensive offering, comprising a complete range of gas combustion solutions. We are confident that Eclipse will have a very successful future as part of Melrose."

Robert W. Baird & Co. is acting as financial advisor to Melrose on the transaction.

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Enquiries

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