

## Schoeller-Electronics GmbH sold to American investor AIAC

- **Schoeller-Electronics GmbH will continue to trade as Schoeller Electronic Systems GmbH under the management of its former Managing Director.**
- **More than 200 jobs saved.**
- **Debtor-in-possession management will remain in force until the conclusion of the insolvency proceedings.**

Based on a contract of June 17, 2016, the American AIAC Group has taken over the business operations of the insolvent Schoeller-Electronics GmbH.

The company will continue to trade as Schoeller Electronic Systems GmbH and it will function as the key component of a powerful European group operating in the circuit boards industry.

As a result of the sale, over 200 jobs at the company's Wetter site will be saved which is about 90% of the employees.

Schoeller-Electronics GmbH had filed for the opening of insolvency proceedings under protective screen – a procedure similar to Chapter 11 under the US Bankruptcy Code- on Feb 24, 2016, and applied for a three-month stay to draw up an insolvency plan. Since then the management board of the company has been handling the necessary restructuring as debtor-in-possession, under the direction of Munich restructuring expert Alexander Reus of anchor Rechtsanwältete and with the support of other members of the law firm.

The goal of the restructuring team was to find a suitable purchaser for the company as quickly as possible, either based on the insolvency plan submitted on 24.05.2016 or as the result of an asset deal which was launched in parallel (dual-track approach).

The insolvency court of Marburg appointed the lawyer Dr Jan Markus Plathner, of the highly regarded law firm Brinkmann & Partners, as provisional administrator to supervise the debtor-in-possession.

During the dual-track approach it turned out that one of the prospective purchasers offered a better solution for the creditors and employees of the company than the insolvency plan developed by management. As a result, management withdrew the insolvency plan prior to the Creditors' meeting scheduled for June 15, 2016.

The creditors' meeting approved the sale of the company and further resolved that debtor-in-possession management should remain in force even after the sale of the operations to a new investor.

'The debtor-in-possession management of Schoeller-Electronics GmbH is a good example for the potential of this procedure in the best interest of the creditors. Managing director Michael Keuthen and anchor's lawyers focussed equally on the sales negotiations as well as the plan of reorganisation and pursued both options efficiently and constructively. All the insolvency law issues have been handled very professionally,' said the provisional administrator Dr Jan Markus Plathner.

'The employees of Schoeller-Electronics GmbH, the Works Council and corporate management have performed fabulous work in the past months. Their readiness to press ahead with the insolvency plan and the sales process in parallel and without prejudice has made a great impression on me,' added Alexander Reus of anchor Rechtsanwälte.

'The investor AIAC and corporate management are convinced that with the acquisition of Schoeller-Electronics GmbH they have found a key component which -in conjunction with further acquisitions- will enable them, to build a powerful European group in the circuit boards industry. I am very pleased that our new investor, along with the existing team, will continue to implement the strategy which we developed during the course of the insolvency proceedings, and does not see the need for further redundancies,' commented Michael Keuthen, the old (and new) managing director of the company.

The transaction has already been approved by the German merger control office.

**About anchor Rechtsanwälte Partnerschaftsgesellschaft mbB [anchor Legal Partnership & Co. Ltd.]:**

The legal firm anchor Rechtsanwälte specialises in insolvency law and corporate restructuring. The firm has more than 100 employees at its nine offices in Augsburg, Braunschweig, Hanover, Hildesheim, Mannheim, Munich, Peissenberg, Stuttgart and Ulm. Alexander Reus is a partner in the firm and has in the past supported and restructured numerous big businesses in the course of insolvency proceedings.

**About Brinkmann & Partner Partnerschaftsgesellschaft [Brinkmann & Partners & Co. Ltd.]:**

**Brinkmann & Partner** was founded in Hamburg in 1980. Today it is a partnership operating at 30 offices in all Germany's main economic centres, with 100 lawyers and tax consultants and a total of some 300 employees. The company makes a point of giving its clients personal support, with a partner and his team present on site. Brinkmann & Partner offers expert consultancy in four principal interdisciplinary areas: Corporate Recovery, Corporate, Real Estate and Tax/Financials. As a result of its entrepreneurial

approach the partnership has acquired a leading reputation in the restructuring of companies. With over 20 administrators, it is one of the biggest German legal firms specialising in insolvency.

**About AIAC:**

AIAC is an American industrial holding company in private ownership, with more than 9,000 employees worldwide, over 60 production sites and an annual turnover of around 1.2 billion US dollars. It makes strategic investments in a very wide range of industries and technology companies.

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Schoeller Electronics Systems GmbH

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