

Press Release

Closing finalized: FIT's course set

New strong global IT organization under Syntax

Weinheim, February 28, 2019. Today, Freudenberg IT (FIT) becomes part of Syntax. The owner of this Canadian ERP specialist is Canadian investment company Novacap. Currently, three IT companies - Syntax, FIT and EmeraldCube - are being brought together under the Syntax umbrella to create a strengthened global IT full-service provider with a clear IT growth plan. The company's market position will also be sustainably expanded through further investments and acquisitions.

The purchase agreement between the Freudenberg global technology group and Novacap was signed at the end of January. The antitrust authorities have now approved the transaction. This development is the result of a long-term strategic process, where Freudenberg, together with the management of its FIT Business Group, investigated various options to determine the best possible path forward.

Background:

Founded as a family-owned company, Syntax now has extensive ERP knowhow and a strong position in North America. Complementary to this, FIT is an SAP specialist in North America, Europe and Asia.

This strategic acquisition enables both companies to combine their specific strengths and serve new markets with a growing portfolio. Syntax and FIT share very similar, client-centric corporate cultures, values and operating principles, which form a solid basis for cooperation, the realization of synergies and future growth.

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With the integration of the acquired FIT, Novacap is taking the first step to enable Syntax to become a globally active technology leader and full-service provider. Further acquisitions and investments are planned.

“In this new environment, with a clear focus on the IT market, FIT will be better able to develop and grow sustainably under this new set-up,” says Dr. Mohsen Sohi, CEO of the Freudenberg Group.

About Novacap

Founded in 1981, Novacap is a leading Canadian private equity company with \$ 2.3 billion of assets under management. The firm's unique investment approach, based on deep operational expertise and an active partnership with entrepreneurs, has helped accelerate growth and create long-term value for its numerous investee companies. With an experienced management team and substantial financial resources, Novacap is well positioned to continue building world-class companies. For more information, please visit www.novacap.ca

About Syntax

Since 1972, Syntax has been providing comprehensive technology solutions to businesses of all sizes throughout North America. Syntax delivers the best combination of software, infrastructure and cloud solutions to meet the needs of its diverse range of customers. Syntax partners include Oracle, IBM and other world-class technology leaders. Learn more about Syntax by visiting www.syntax.com

About Freudenberg IT (FIT)

Freudenberg IT (FIT) is a global Cloud provider and IT service provider for upscale small and medium sized enterprises. At home in the automotive and manufacturing sectors, FIT now provides a broad IT service spectrum that covers almost the entire SAP landscape, including application management services, SAP licenses and extensive consulting services for the implementation of SAP S/4 HANA. FIT was - among other things - involved very early on in utilizing the Industry 4.0 megatrend. A complementary partnership with Microsoft also enables targeted support for customers in the digitalization of ever more advanced workplace environments.

About the Freudenberg Group

Freudenberg is a global technology group that strengthens its customers and society long-term through forward-looking innovations. Together with its partners, customers and research institutions, the Freudenberg Group develops leading-edge technologies and excellent products and services for 40 markets and for thousands of applications: seals, vibration control components, technical textiles, filters, specialty chemicals, medical products, IT services and the most modern cleaning products.

Strength of innovation, strong customer orientation, diversity, and team spirit are the cornerstones of the Group. The 170-year-old company holds strong to its core values: a commitment to excellence, reliability and pro-active, responsible action.

In 2017, the Freudenberg Group employed approximately 48,000 people in some 60 countries worldwide and generated sales of more than €9.3 billion. For more information, please visit www.freudenberg.com