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RMB Corvest: Dupleix Liquid Meters Limited press release

RMB Corvest leads leveraged buyout of Dupleix Liquid Meters

***Illovo, 20 January 2012.** RMB Corvest, a private equity business in the FirstRand Group, has announced a leverage buyout of Dupleix Liquid Meters (DLM) Limited, a market-leading supplier of overpressure protection systems and instrumentation.*

RMB Corvest and Shalamuka Capital (the private equity vehicle of the Shalamuka Foundation) have acquired the majority shareholding of DLM as part of a leveraged buy-out and management buy-in.

DLM trades in the overpressure protection, flow, level and density measurement, automation and control markets in Southern Africa. It is primarily a value-adding distributor, representing over 37 manufacturers from around the globe. Based in Johannesburg with branches in Cape Town, East London, Durban and Rustenburg among others, the company employs approximately 134 staff. It supplies a wide range of products for various applications across numerous industries. DLM also provides customers with technical support through its branches and agents, and is known for its solutions-driven approach to projects.

Martin Coetzee, director: RMB Corvest, says that DLM's track record and experienced management team (which has also acquired a significant shareholding in the company through the buyout) made it a very attractive investment opportunity. "Given the many areas of application for overpressure protection products, we believe that DLM will continue to expand its already well-diversified customer base going forward – both locally and in the SADC region. The company's ability to forward-integrate in the value chain, as well as its end-user implementation and project management offerings are also key differentiators in its market."

Because of DLM's position as an aggregator of products from a variety of suppliers, and its technical knowledge and understanding of customer requirements, it is able to tailor-make solutions for clients' specific applications. "This approach and its new market development initiatives were additionally very attractive to RMB Corvest and Shalamuka Capital. As such, the company has provided us with a good point of entry into the industry," explains Coetzee. He adds that Shalamuka's shareholding has also incorporated a significant BEE element into the deal, with DLM now a Level 4 BEE supplier.

Gillian Darge, the in-coming CEO of DLM says that the deal will provide DLM with the liquidity required to support its long-term growth plans: "We're looking forward to partnering with our new shareholders to continue to exceed our customers' expectations and grow our offering. With new opportunities opening up in the South African and the SADC region, this is the ideal time for us to act on these and build on the platform we have already established in the market."

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