
PRESS RELEASE

Regulated information

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Connect Group strengthens position in the Netherlands by acquiring Halin

The shareholders of Halin Group, located at Industrieterrein De Run in Veldhoven, the Netherlands, and Connect Group (CONN), headquartered in Kampenhout, Belgium, announce that they have reached agreement for Connect Group to acquire 100 percent of the shares of Halin Group. The transfer of the shares will take place in January 2012.

Halin Group consists of 4 companies: Halin Group BV, Halin Electronics BV, Halin Industrial Solutions BV and Halin Communication Technology BV. Halin Communication Technology BV is not included in the takeover.

Just like Connect Group, Halin Group is an electronics - mechatronics subcontractor, operating primarily on the Dutch market. The Halin Group employs around 120 people at Veldhoven, Netherlands, and has an annual turnover of around EUR 20 million. Major references for Halin include Philips and Axon Digital Design.

Martin Saris, CEO Halin: "We are very pleased to become part of Connect Group. Our stable customer group, our operational expertise in a number of fields and our ISO 13485 certificate for the medical sector will certainly deliver added value to Connect Group. On the other hand, the availability of production capacity in Eastern Europe and Connect Group's broader technology base will help us in further expanding our organization in the Netherlands. It is clear to us from our discussions with Connect Group management that combining our companies creates a win-win situation for both sides. This was very important for us in choosing whether to become part of Connect Group."

Luc Switten, CEO Connect Group: "Our position on the Dutch market is significantly strengthened by the integration of Halin into Connect Group. Halin has a strong name and position in the Dutch subcontracting market. Halin will be able to take full benefit of our production capacities in Romania and the Czech Republic which will improve Halin's competitiveness. We also see potential cost reductions in the medium term by integrating our activities."

The consolidated assets of Halin Group at the time of acquisition in January 2012 will amount to around EUR 7 million (against Connect Group's consolidated balance sheet total of EUR 87 million at 30/09/2011). The acquisition will be financed with bank debt. The total financial debts of Connect Group will increase as a result by EUR 5 million (working capital and financing of acquisition price) from EUR 34 million to EUR 39 million.

Halin

Halin is an all-round service provider in the electronics field. With around 120 people in three working companies, Halin develops and produces electronics for B2B customers in more than 10 market segments. From prototypes to series production, with clients ranging SMEs to multinationals.

Connect Group

Connect Group offers cost-effective, high quality production services to the professional industry. Activities include the production of cables and cable trees, PCB assembly and testing, production of semi-manufactures and final product assembly.

Connect Group's references include companies such as Alstom, ASML, Atlas Copco, Atos, Barco and Philips.

The company currently employs around 1,700 people in various facilities in Europe. The company's shares are traded on NYSE Euronext Brussels: CONN (www.euronext.com).

Investor Relations

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