

Media release

**The Carlyle Group to acquire a significant minority shareholding in CEPSA from Mubadala based on an enterprise value of \$12 billion**

- Mubadala to remain majority shareholder in Europe's largest privately-owned integrated oil & gas company
- Carlyle to acquire a stake in Cepsa of between 30% and 40%
- The agreement marks the successful conclusion of a proactive dual-track process to bring in new partners
- Transaction expected to complete by end 2019

**8 April, 2019 - Abu Dhabi, United Arab Emirates** : Mubadala Investment Company, the Abu Dhabi-based strategic investment company, and global investment firm The Carlyle Group (NASDAQ: CG) have announced today that funds affiliated with Carlyle will acquire a significant minority interest in Compañía Española de Petróleos, S.A.U (Cepsa) from Mubadala. Headquartered in Madrid, Spain, Cepsa is Europe's largest privately-owned integrated oil & gas company.

The transaction is subject to customary regulatory approvals and is expected to close by end 2019. The agreement marks the successful conclusion of a dual-track process through a public offering and private placement, conducted by Mubadala to bring in new partners as part of its portfolio management strategy.

"We are pleased to have reached agreement with Carlyle and to have them partner with us as shareholders in Cepsa. Carlyle is an established, respected and experienced investor with significant assets under management in the global energy sector", said Musabbeh Al Kaabi, CEO, Petroleum & Petrochemicals, Mubadala."

"This represents an important milestone in Cepsa's 90-year history. Mubadala has worked closely over the years with Cepsa's management team to build a world-class fully integrated energy company. We now look forward to working in partnership with Carlyle which has a significant track record and energy sector capabilities, and with Cepsa's management to further enhance and grow the business. We share a common view about the strength and potential of Cepsa's business and are confident in the company's ability to continue its excellent operational and financial performance, which was reflected in the valuation we maintained throughout the process.

Marcel Van Poecke, Head of Carlyle International Energy Partners, said: "We are delighted to partner with Mubadala and Cepsa's management team through our commitment to invest in Cepsa which offers such strong potential and future opportunities in the global energy sector. We look forward to building upon Cepsa's growth path for the benefit of their customers, suppliers and employees. Our team has an established track record with a combination of energy sector, financial and operational capabilities as well as experience across the energy value chain from upstream through downstream, refining and marketing."

At completion of the transaction, both parties' final shareholding stakes will be confirmed. Mubadala will remain the majority shareholder of Cepsa. Equity for this investment will come from Carlyle International Energy Partners I & II, Carlyle Partners VII, Carlyle Europe Partners V and co-investors.

Cepsa is a household name and significant Spanish-headquartered integrated energy company that has evolved through a combination of organic growth and strategic acquisitions. It now operates assets across the full petroleum value chain, in more than 20 countries, delivering through-the-cycle earnings resilience and also operates in the renewables sector. The company's assets include significant reserves contained in both the Umm Lulu and SARB fields located offshore Abu Dhabi. Cepsa is also a significant oil producer in Algeria and operates in Central and South America and South East Asia.

Cepsa's retail business includes an extensive network of service stations across the Iberian Peninsula and an integrated energy offering to Spanish consumers, covering liquid fuels, gas and electricity. The company owns and operates two refineries in Spain and has committed significant capital to ensure they remain among the most efficient in Europe and well positioned to respond to the new IMO quality and emissions requirements when they take effect in January 2020.

Cepsa is also the global leader in the production of linear alkyl benzene (LAB), a key component in the manufacture of biodegradable detergents and the second largest producer of phenol and acetone; new investments in LAB manufacturing facilities aimed at strengthening its presence in the emerging markets of Asia.

## **ENDS**

### **About Mubadala Investment Company**

Mubadala Investment Company actively manages a worldwide portfolio supporting the vision of a globally integrated and diversified economy, through sustainable returns to its shareholder, the Government of Abu Dhabi. In March 2018, Abu Dhabi Investment Council (ADIC) joined the Group.

Mubadala's US \$225 billion (AED 830 billion) portfolio spans five continents with interests in aerospace, ICT, semiconductors, metals and mining, renewable energy, oil and gas, petrochemicals, utilities, healthcare, real estate, defense services, pharmaceuticals and medical technology, agribusiness and a global portfolio of financial holdings. Mubadala is a trusted partner, an engaged shareholder and a responsible global company that is committed to ethics and world-class standards.

For more information about Mubadala, please visit: [www.mubadala.com](http://www.mubadala.com)

### **About The Carlyle Group**

The Carlyle Group (NASDAQ: CG) is a global investment firm with deep industry expertise that deploys private capital across four business segments: Corporate Private Equity, Real Assets, Global Credit and Investment Solutions. With \$216 billion of assets under management as of December 31, 2018, Carlyle's purpose is to invest wisely and create value on behalf of our investors, portfolio companies and the communities in which we live and invest. The Carlyle Group employs more than 1,650 people in 31 offices across six continents.

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## About Carlyle's Energy Platform

Carlyle has constructed a broad-based global energy, natural resources and infrastructure platform (currently with \$27 billion in assets under management and 95 active portfolio companies), consisting of International Energy, North American Energy, North American Power and Global Infrastructure.

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