

## PRESS RELEASE

**Augens Capital acquires 100% of Impresa San Siro American Funeral, laying the foundations for the creation of a national leading funeral services provider.**

**Milan, January 31<sup>st</sup>, 2019** – Augens Capital, the Cerato family and Impresa San Siro American Funeral S.r.l. (San Siro) are pleased to announce the completion of the acquisition of 100% of San Siro by HOFI S.p.A. (HOFI), a newly created holding company controlled by Augens Capital in partnership with funds advised by the private equity team of BMO Global Asset Management ("BMO") and 20% owned by Andrea and Massimo Cerato.

San Siro is the largest Italian player in the funeral services sector, leader in the market of the Municipality and the Province of Milan. In 2018, the company provided its services to over 3,500 families.

Founded in 1965 by Commendatore Alcide Cerato, over the years San Siro has drawn inspiration from the best international experience in the sector to provide a top-level service in the organization and provision of the funeral service and its related needs to a variety of clients from different cultural and religious backgrounds. Alcide Cerato has brought to Italy from the United States the tradition of the funeral homes, deeply innovating the Italian funeral culture. Today San Siro relies on two prestigious and modern facilities in the West and East of Milan to welcome the relatives of the deceased person in a private and reserved atmosphere where the body is hosted before the funeral service.

The acquisition of San Siro represents the first step in Augens Capital's strategy of sector consolidation, drawing on the experience gained by its partners in previous investments in the funeral sector in France and in the United Kingdom. The project focuses on the creation of the first Italian funeral service group backed by institutional investors. The HOFI holding company will be the future aggregator of a sector that today, differently from other European countries, is still very fragmented, being composed of more than 6,000 small local businesses that are frequently facing succession and organizational issues.

HOFI has at its disposal significant capital and managerial skills to create an integrated national group, which will seek to offer services of the highest quality, operating in compliance with the highest standards of corporate governance and business ethics.

Andrea and Massimo Cerato will invest in HOFI alongside Augens Capital and BMO and will be respectively appointed as President and CEO of San Siro, ensuring the continuity of the provision of high-quality services that has characterized the company since its foundation over fifty years ago.

"San Siro is an excellent company, active in a very important service segment with strong social values, which enjoys an excellent reputation thanks to the quality of its facilities and the work performed with dedication by its employees" said Marco Mantica, partner and CEO of Augens Capital. "Our project to create a structured group in the funeral sector in Italy could only start from such a high-calibre company. We want HOFI and San Siro to become the reference partner for those players who wish to aggregate their company to improve their services and ensure continuity. We are also very proud to have received financial support from Banco BPM and Banca Interprovinciale | Illimity for the financing of this important transaction for the city of Milan".

"For many years, San Siro has been a quality solution for the needs of many of our customers' families" said Andrea Cerato. "The partnership with Augens Capital will allow San Siro to continue its development and improve its services in the wake of what our family has created in over fifty years of activity. The Augens team members have demonstrated their knowledge of the sector, gained thanks to their experiences in France and in the United Kingdom, and our family shares the need to support a sector strengthening and consolidation project".

"We look forward to working with the Augens Capital and BMO team on the strategic project to consolidate the sector in Italy," said Massimo Cerato. "Investors bring to the table innovative working methods and a corporate culture and organization that will allow us to further innovate the sector. We trust that many players in the sector, who already know us, will be interested in evaluating a collaboration with the new group".

The acquisition of San Siro will be financed through a senior loan facility provided by Banco BPM and Banca Interprovinciale | Illimity. Augens Capital was supported by Italian law firm LMS, EY for financial and tax due diligence and Essentia Advisory as debt advisor. BMO was assisted by Arendt & Madernach. The Cerato family was assisted by law firm Vicari & Associati and by Mr Alberto Sampietro as financial advisor. Law firm Pavia e Ansaldo Studio Legale has assisted the financing banks.

### **Augens Capital**

Augens Capital is an investment company established in 2014 to carry out investments in medium-sized Italian companies with a focus on family businesses with succession issues, orphan companies, situations that present opportunities for sector consolidation and companies that need capital and skills to pursue expansion on international markets.

### **BMO**

BMO Global Asset Management is the asset management arm of North American group BMO Financial Group (Bank of Montreal), founded in 1817 and active worldwide. With more than 25 offices in 14 countries and \$258 billion under management, BMO Global Asset Management invests worldwide. BMO is a signatory to the UN-supported Charter of Principles for Responsible Investment Initiative. For any questions regarding BMO Global Asset Management private equity, please contact Richard Nairn on +44 131 718 1394.

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