



## **ARCAPITA COMPLETES LARGEST EUROPEAN CORPORATE TRANSACTION**

**Private equity firm completes acquisition of Roxar – a world leading technology solutions provider for the oil and gas industry**

**London: 13 February 2006:** Arcapita Limited (“Arcapita”), the European private equity arm of Arcapita Bank B.S.C. (c), a leading international investment firm headquartered in Bahrain, announced today that it and its affiliates, together with existing management, have completed the acquisition of a 100% interest in Roxar AS (“Roxar”), a world leading provider of technology services and equipment to the oil and gas industry.

The total transaction value is approximately US\$200 million (EUR168 million) and represents Arcapita’s largest corporate investment in Europe to date. Royal Bank of Scotland and Barclays Bank provided senior and mezzanine financing of US\$91 million for the acquisition, together with a US\$25 million working capital facility. The acquisition of Roxar forms part of Arcapita’s stated strategy of maintaining a diversified portfolio of assets that generate superior risk-adjusted returns.

With its head offices in Stavanger, Norway, Roxar supplies products and services that enable oil and gas companies to develop fields more cost efficiently, maximize reservoir performance and improve recovery rates. The senior management team of Roxar which is headed by Sandy Esslemont, Chief Executive Officer, will retain a shareholding of 1.2% in the company.

Roxar’s customer base includes 200 of the largest national and international oil companies in the world including Saudi Aramco, ExxonMobil, BP, Norsk Hydro, PDVSA (Petróleos de Venezuela S.A.), Petronas, ConocoPhillips, Shell and Statoil. As proven reserves decline, these companies, in line with the industry overall, are turning to advanced solutions such as Roxar’s to improve their rates of recovery from existing and newly discovered oil and gas reserves.



**Mounzer A. Nasr, Executive Director of Arcapita** and head of Corporate Investment in Europe commented: "Roxar is a clear technology leader in the products and services it provides to the oil and gas industry around the world.

"We see substantial growth opportunities as oil operators embrace new ways of maximizing their returns from oil and gas reservoirs and implement reservoir management techniques earlier in the production cycle. As the world-wide demand for oil increases and producers experience supply constraints, operators will focus attention on their ability to maximize the production potential and recovery rates from existing fields and to realize higher returns from new discoveries. With its market-leading position, proprietary technology and strong international management team, we believe Roxar is well positioned to take advantage of this growing trend."

**Sandy Esslemont, Chief Executive Officer of Roxar** commented: "I believe the partnership with Arcapita will enhance the growth prospects for Roxar. The firm has a strong track record in working with and encouraging entrepreneurial management teams and they have demonstrated considerable understanding of our business and the opportunities for growth and expansion.

"The fundamentals for our markets - particularly in the areas of sub-sea, multiphase metering and 3D reservoir modeling - have never been stronger and continue to improve further. The ownership by Arcapita gives us the support of a formidable financial partner that will help us develop our competitive position in these markets even further and increase our ability to research and invest in the oil and gas technologies of the future."

The Roxar transaction brings to 51 the total number of corporate, real-estate and asset-based investments made by Arcapita to date, with a total transaction value of over US\$10.7 billion in seven years.

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**For further information, please contact:**

**Tim Doyne**  
Corporate Communications  
Arcapita Bank B.S.C. (c)  
t) +973 17 218 168  
m) +973 39 929 009  
tdoyne@arcapita.com

**Sandy Esslemont**  
CEO  
Roxar Group  
t) +1 713 482 6439  
sandy.esslemont@roxar.com



**Andrew Waterworth,**  
Financial Dynamics, London  
t) +44 20 7269 7127  
m) +44 7771 740 484  
andrew.waterworth@fd.com

**Ed Gascoigne-Pees**  
Financial Dynamics, London  
t) +44 20 7269 7132  
m) +44 7884 001 949  
ed.gascoigne-pees@fd.com

## **NOTES TO EDITORS**

### **About Arcapita**

Arcapita Limited is a private equity firm and a wholly owned subsidiary of Arcapita Bank B.S.C. (c), a leading international investment firm headquartered in Bahrain. Arcapita Bank operates out of three offices in Bahrain, Atlanta and London and employs 172 people. The firm has completed investments with a total transaction value of US\$10.7 billion in its three lines of business: (1) corporate investment, (2) real estate and (3) asset-based investments. Arcapita Bank has a balance sheet of US\$1.9 billion and an equity capital base of approximately US\$400 million.

Full details of Arcapita can be found at [www.arcapita.com](http://www.arcapita.com)

### **About Roxar**

Roxar is a leading international technology solutions provider to the upstream oil and gas industry. The company creates value for its customers through innovative products and services that help achieve maximum performance from oil and gas reservoirs.

With its head offices in Stavanger, Norway, Roxar employs close to 500 staff across a network of wholly owned offices in Europe, the Americas, Africa, CIS, Asia Pacific and the Middle East. Founded in May 1999, the company generated revenues of approximately US\$120 million in 2005. Roxar's International customer base includes all of the multinationals, major independents and the majority of national oil companies.

Roxar Group was previously 100% owned by Lisme AS – a holding company owned 51% by Lime Rock Partners, a US private equity firm, and 43% by Smedvig ASA, a Norwegian offshore drilling contractor.

Full details of Roxar can be found at [www.roxar.com](http://www.roxar.com)