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Landis+Gyr and Pacific Equity Partners Announce Joint Venture for Acquisition of Acumen Metering Business

Positioned to Expand Smart Metering and Related Services in Australia

Zug, Switzerland and Sydney, Australia, May 24 2018 — Global smart metering leader Landis+Gyr (LAND.SW) and Pacific Equity Partners (PEP) today announced an agreement to form a joint venture for the acquisition of Acumen from Australia's largest energy retailer, Origin Energy Limited. The joint venture will be known as intelliHUB Holdings Pty Ltd. The Acumen business includes the existing management and servicing of an already deployed 170,000 meters and a material, long-term contract with Origin Energy for the rollout of additional smart meters across Australia. The parties expect the transaction to close in the coming few months.

The intelliHUB business was established by Landis+Gyr in 2015 in preparation for the mass market rollout of smart meters in Australia under new contestability rules. It benefits from Landis+Gyr's global experience in smart metering technology, systems and operating large scale metering deployments overseas as it has refined the local offering. By acquiring the Acumen business, the combined entity is poised to rollout a significant proportion of the estimated 8 million smart meters to be deployed across NSW, Queensland, South Australia and the Australian Capital Territory starting immediately. Landis+Gyr will be contributing both cash and its intelliHUB business with combined equity value of up to AUD 75 million (approximately USD 57 million at current exchange rates).

Under the new joint ownership structure, the business will benefit from PEP's proven track record in business development to deliver long-term growth, underpinned by strong governance and sustainability. The joint venture has raised a starting position in excess of AUD 500 million of capital to finance the rollout of smart meters in Australia. This comes from a combination of PEP's new AUD 1 billion Secure Assets Fund and a banking consortium of eight leading Australian and global financial institutions.

The business will retain both the intelliHUB and Acumen brands as the combined businesses come together to focus on all facets of residential, consumer and industrial, embedded networks and solar metering services across Australia and New Zealand. The acquisition is an important milestone for Landis+Gyr as it transitions its footprint across Asia Pacific to a multi-faceted business offering market leading products, solutions and services for smart metering rollouts.

In parallel with the establishment of the joint venture, intelliHUB has entered into a five-year meter supply contract with Landis+Gyr with expected volumes of approximately 800,000 smart meters to be deployed to multiple utility customers across Australia and New Zealand.

"Landis+Gyr is the global leader in smart metering and offers the largest portfolio in the industry for utility companies and retailers that help bring the grid into the digital age. We have been investing for several years in our products and solutions for Australia and the partnership with intelliHUB will be crucial to giving the Australian market access to the best of our global smart metering products, solutions and services technologies," said Richard Mora, Landis+Gyr's chief executive officer.

"With deep international experience and having supplied more than 2 million of the 2.9 million smart meters in Victoria, Landis+Gyr has deep knowledge of the Australian market and consumer expectations. In the Power of Choice market structure, bringing together two industry leaders is an ideal solution to meeting customers' requirements. We are very pleased to have

partnered with PEP on this acquisition and we are excited to continue to deliver market leading service across the nation and helping consumers better manage their energy,” Mora concluded.

Cameron Blanks, Managing Director at PEP said: “The Australian market is just commencing a major widespread deployment of smart metering technology. This requires experienced partners that are acutely focused on the customer experience and getting the most out of this once in a generation technology refresh. We have partnered with Landis+Gyr and we believe this business will create an independent and differentiated experience for energy retailers, providing an exceptional rollout experience with the global leader in metering innovation.”

Mr. Blanks added: “We have quickly formed a strong partnership and smooth working relationship with the entire Landis+Gyr team, it has been a pleasure to work with Landis+Gyr’s CEO Richard Mora and his colleagues in Australia. Together we have developed a robust model to put our combined expertise towards building and growing the intelliHUB business.”

PEP and Landis+Gyr were advised on this transaction by Credit Suisse, Highbury Partnership and Ironstone. Baker & McKenzie and Clayton Utz acted as legal advisers.

About Landis+Gyr

Landis+Gyr is the leading global provider of integrated energy management solutions for the utility sector. Offering one of the broadest portfolios of products and services to address complex industry challenges, the company delivers comprehensive solutions for the foundation of a smarter grid, including smart metering, distribution network sensing and automation tools, load control, analytics and energy storage. Landis+Gyr operates in over 30 countries across five continents. With sales of approximately USD 1.7 billion, the company employs c. 6,000 people with the sole mission of helping the world manage energy better. More information is available at www.landisgyr.com.

About PEP

Pacific Equity Partners is a leading Australasian private equity firm. In addition to successfully managing five private equity LBO funds since its inception in 1998, the firm launched the PEP Secure Assets Fund in late 2017. SAF targets control-based investments across a range of infrastructure sectors including energy, water, transport, health, education and communications that possess a combination of protected cashflows and unrealised growth and performance improvement potential. The team provides strategic management experience and capital resources to maximise the performance of its investee companies through a focus on supporting management to drive operational improvement and realise additional growth opportunities. Further information on PEP and its investee companies can be found at www.pep.com.au.

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