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press release

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CMS Hasche Sigle advises Joyou AG on takeover by Grohe

Frankfurt/Main – Bathroom tap manufacturer Grohe has announced that it is making a voluntary public takeover offer for all the outstanding shares in Joyou AG. The bid is being made via its wholly-owned subsidiary Grohe Asia AG at an offer price of EUR 13.50 per share. Grohe Asia AG has notified Joyou AG that it has already received irrevocable commitments and other undertakings from current shareholders of Joyou AG that give it at least 30% of the voting rights in Joyou AG.

The main shareholders in Joyou, Mr Jianshe CAI and Mr Jilin CAI, both members of the Joyou AG management board, also intend to sign an agreement on a long-term partnership with Grohe Holding GmbH. Under this arrangement, Mr Jianshe CAI and Mr Jilin CAI would contribute a large proportion of their shares in Joyou AG (28.6% of the company's subscribed capital) to Grohe Asia AG against the issue of new shares.

A team from CMS Hasche Sigle led by corporate law expert Dr Jochen N. Schlotter and capital market law expert Dr Andreas Zanner is advising Joyou AG on all aspects of the proposed transaction.

Joyou designs, produces and sells taps and other sanitary products under its own "Joyou" brand in China. It also operates in the US, Europe and some emerging markets as a manufacturer for international sanitaryware firms, wholesalers and trading companies. In terms of sales, Joyou is one of China's leading brand-name

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manufacturers of taps for bathrooms and kitchens as well as other water taps. Joyou has its operational headquarters in Nan'an, Quanzhou in Fujian province. In 2009, Joyou AG generated consolidated sales of EUR 172.3 million and an operating profit (EBIT) of EUR 39 million. The company had an average of more than 2,500 employees in 2009.

Advisers CMS Hasche Sigle:

Dr Jochen N. Schlotter, Corporate (Lead Partner)

Dr Andreas Zanner, Banking & Finance (Lead Partner)

Peter Holst, Corporate

Ning Zhang, Banking & Finance

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