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For immediate release

## **RWS Holdings plc**

# **\$70m Acquisition of World Leading Life Sciences Translation Business**

RWS Holdings plc ("RWS", "the Group"), the world's leading provider of intellectual property support services (patent translations, international patent filing solutions and searches) and commercial translations, today announces the acquisition of the entire issued share capital of Corporate Translations Inc ("CTi") for a cash consideration of \$70 million.

The acquisition, which has fully completed, is in line with RWS' stated strategy of complementing organic growth with the deployment of the Group's cash resources for selective acquisitions which have demonstrable growth prospects in attractive sectors and/or geographies, offer excellent margins and can enhance shareholder value.

Based in Connecticut, USA, with 140 employees, CTi is the world's leading life sciences translation and linguistic validation provider. The Company was founded in 1990 specifically to cater for the growing demand for high quality translation services in the life sciences sector and is now a recognised leader in successfully managing complex translation projects on behalf of the world's top pharmaceutical and biotech companies and their Clinical Research Organisation (CRO) partners. It enjoys a preferred supplier relationship with many of its key customers, with extraordinary penetration of the blue chip life science community.

As CTi's customers operate in highly regulated and audited industries, they place a premium on high quality translations being delivered to specific deadlines, which in turn underpins CTi's attractive margins. RWS already focuses on the life sciences sector both through its patent translation and filing solutions and with its separate Medical Translation Division which includes the linguistic validation specialist PharmaQuest, a company acquired in 2013. The greater scale of CTi, combined with the existing specialist RWS divisions will immediately transform the Group to a world leading position in life sciences translations and linguistic validation and further enhance its competitive standing amongst the largest specialist translation companies in the world, especially in IP support services.

The acquisition of CTi is expected to be immediately and significantly earnings enhancing, with the \$70m consideration to be paid based on CTi reporting an EBITDA of not less than \$7m for the year ended 31 December 2015. Its latest audited financial statements, for the year ended 31 December 2014, showed revenues of \$23m and adjusted EBITDA of \$4.8m.

The acquisition will be funded by \$25m from internal cash resources and \$45m through a five year loan provided by Barclays. Mary and Ted Gawlicki, co-founders of CTi, will retain their current positions for up to a year, to allow us to benefit from their significant knowledge and experience as we integrate the business into the enlarged Group.

### **Andrew Brode, Chairman of RWS Holdings, commented:**

"We are delighted to have acquired CTi, which greatly expands our exposure to the attractive and growing life sciences sector through a world leading language services provider in this field. With its focus on supporting its clients in the delivery of their intellectual property pipelines, CTi is an excellent fit with RWS' leading position in intellectual property service provision.

"We look forward to building on CTi's strong reputation and financial track record, particularly as RWS adds its own life science division and client base, and provides a platform from which it can achieve further expansion into the European life science support services sector.

"CTi also provides RWS with an outstanding platform upon which to deliver its strategic vision for the development of language services provision in the USA and we are confident the acquisition will add significant value to our shareholders."

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**About RWS:**

RWS is the world's leading provider of patent translations and one of the leading players in the provision of intellectual property support services and high level technical, medical, commercial, legal and financial translation services. Specialist divisions provide for the diverse needs of a blue-chip multinational client base from Europe, North America and Asia in the aerospace, automotive, chemical, defence, electronics, financial, insurance, legal, medical, pharmaceutical and telecommunications industries. RWS is based in the UK, with offices in Europe, New York, Tokyo, Beijing and Sydney, and is listed on AIM, the London Stock Exchange regulated market (RWS.L).

For further information please visit: [www.rws.com](http://www.rws.com)