

The Payne Firm, Inc. was the Environmental Consultant assisting The Carlyle Group in this deal. Below is the press release issued by The Carlyle Group.

### ***The Carlyle Group to Purchase Rexnord Corporation from Invensys plc for \$913 Million***

Washington, DC – Global private equity firm The Carlyle Group today announced that it has agreed to purchase Rexnord Corporation from Invensys plc for \$913 Million.

Rexnord is a leading worldwide manufacturer of industrial power transmission components. The company manufactures flattop and industrial chain, bearings, couplings, gears and a variety of special components. Rexnord's products are used in plants and equipment in a wide range of industries, including food and beverage, energy, forest products, construction, cement and aerospace.

Jay Powell, Carlyle Managing Director said, "Rexnord is a strong business with excellent free cash flow dynamics and leadership positions in its markets. We are excited about partnering with George Sherman and the Rexnord management team to help build the business."

George M. Sherman, former CEO of Danaher Corporation, will act as Non-Executive Chairman of Rexnord and will be an investor in the Company. Mr. Sherman said, "I look forward to working with Carlyle and the excellent management team at Rexnord as we continue to build Rexnord's global leadership positions in power transmission components."

Bob Hitt, Rexnord CEO said, "This is an exciting moment in history for Rexnord employees and customers. With the experience of both Carlyle and George Sherman, we are confident that we will build on the leadership position that Rexnord has enjoyed."

The equity for this transaction will come from Carlyle Partners III, L.P., Carlyle's flagship U.S. Buyout Fund. The transaction is expected to close by January 31, 2003.