



Pure Gym and The Gym Group Agree to Merge

Gym Innovators Join Forces in UK's Fragmented Fitness Market

11 February 2014, London – Pure Gym and The Gym Group today announced plans to merge amid growing membership at fitness clubs and growing consumer demand for low-fee, high quality and flexible health and fitness club memberships.

Pending regulatory approval, the combination will create a national gym operator with a compelling consumer price-value proposition in the UK fitness market.

The planned merger will reinforce the superior customer proposition offered by both companies, extending the number of gyms available nationally to new and existing members. The merger will also enhance the ability of the combined company to continue to rapidly expand its network of gyms. The transaction coincides with growing consumer awareness about the health benefits from improved fitness, along with increased competition and wider gym access in the UK.

Peter Roberts Chief Executive of Pure Gym, said: “This agreed deal unites two innovative players in the fast-changing gyms sector, where the low-priced model is improving consumer choice and contributing to better exercise levels across the country. We expect our complementary brands and locations to encourage even more people to join gyms.”

John Treharne Chief Executive of The Gym Group, added: “Customers want total flexibility and value-for-money options when it comes to keeping fit. This enlarged business, combining great facilities and excellent trainers, will provide a compelling alternative to existing gym providers.”

As part of the merger agreement, Peter Roberts of Pure Gym will become Executive Chairman of the new group, whilst John Treharne will be Chief Executive.

The new company will be a combination of the current Pure Gym, owned by CCMP Capital Advisors, LLC and The Gym Group owned by Phoenix Equity Partners and Bridges Ventures. Financial terms have not been disclosed.

In a joint statement, Tom Walker, UK Managing Director of CCMP Capital Advisors (UK) II Limited, and David Burns, Partner at Phoenix Equity Partners, said: “We are delighted to be supporting the creation of a fast-growing gyms network, which is poised for further expansion as the fitness market continues to evolve in the UK.”

The two companies will continue to operate independently until regulatory approval and completion terms are finalised.

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ABOUT Pure Gym

Pure Gym launched in 2009 and operates 61, 24-hour gyms across the UK with one site in Northern Ireland. Its members pay monthly, with no contract commitment. Gyms typically comprise cardio and strength training equipment and also offer up to 80 group exercise classes each week. In May 2013 funds affiliated with CCMP Capital Advisors, LLC bought a majority stake in the business.

Further information: www.puregym.com

ABOUT The Gym Group

The Gym Group was founded in 2007 and operates 42 gyms across Great Britain. In common with Pure Gym, The Gym Group operates a low-cost business model, with contract-free membership based around cardio and strength training equipment and group classes. In 2013 Phoenix Equity Partners acquired a majority stake in the business, which was founded and funded since its launch by Bridges Ventures.

Further information: www.thegymgroup.com

ABOUT CCMP Capital Advisors, LLC

CCMP Capital Advisors, LLC ("CCMP") specializes in middle market buyouts and growth equity investments of \$100 million to \$500 million in North America and Europe. CCMP focuses on generating alpha through the operational transformation of its portfolio companies. With offices in New York, Houston and London, CCMP invests in four primary industries: Consumer/Retail, Industrial, Energy and Healthcare. Selected investments under management include: ARAMARK Corporation, Chaparral Energy, Infogroup, Jetro Holdings, LHP Hospital Group, Medpace, Milacron, Newark Energy, and Ollie's Bargain Outlet.

Further information: www.ccmpcapital.com

ABOUT Phoenix Equity Partners

Phoenix Equity Partners is an independent private equity fund management business. Phoenix is owned by its executive team. Phoenix's investment focus is on mid-market UK private businesses valued at up to £200 million. Recent Phoenix transactions include investments in Key Retirement Solutions, Global Navigation Solutions and Porthaven as well as the sale of ASCO. It took a majority shareholding in The Gym Group in June 2013.

Further information: www.phoenix-equity.com

ABOUT Bridges Ventures

Bridges Ventures LLP ("Bridges Ventures") is a specialist fund manager dedicated to using an impact-driven investment approach to create superior returns for both investors and society at large. Bridges Ventures has raised seven funds to date which total £340m: Sustainable Growth Funds I, II and III, the Bridges Sustainable Property Fund, the CarePlaces Fund, the Bridges Social Entrepreneurs Fund and the Bridges Social Impact Bond Fund.

Further information: www.bridgesventures.com