

Press Release : Shalamuka Capital: Eaton SA deal

Shalamuka Capital is BEE Shareholder in Eaton South Africa

<Insert date and place> *Shalamuka Capital, the private equity vehicle of the Shalamuka Foundation, has recently acquired a minority stake in Eaton Corporation's South African Electrical Business as a BEE shareholder.*

In a Broad based black economic empowerment transaction facilitated by RMB Corvest, Shalamuka Capital has become a BEE shareholder in Eaton Electric SA, a subsidiary of Eaton Corporation.

Serving sub-Saharan Africa for over 80 years, Eaton SA is a leading supplier to the electrical industry. As part of global diversified power management company, Eaton Corporation, with sales in over 150 countries, Eaton SA is associated with high quality electrical components and energy systems.

In the last year, Eaton has seen rapid growth in South Africa following its acquisition in July 2011 of the Actom Low Voltage Equipment (ALVE) business units: CHI Control, Meissner Uninterruptible Power and Norsa Electronics. This means that Eaton is now one of the leading suppliers of electrical products and services to the South African mining industry.

"The partnership with Shalamuka Capital allows Eaton to qualify for a level four BEE rating, helping our customers, while providing sustainable economic benefits for the community through Shalamuka Foundation," explains Shane Kilfoil, Managing Director for Eaton's Electrical Sector business in Africa. "We view this as an important component of our long-term growth strategy in South Africa and this was why we approached RMB Corvest for assistance."

"We are delighted to partner with Shalamuka and look forward to many years of working together to grow a strong business as well as provide support for a programme aimed at improving education in South Africa" said Shane Kilfoil. "Eaton's partnership with Shalamuka is part of a global strategy to help create and expand the pool of highly qualified employment candidates for our business."

Shalamuka Capital is a broad-based BEE private equity company that invests its own funds rather than third party funds. Established in 2008, it invests in unlisted established businesses across all sectors and operates in close partnership with RMB Corvest, a private equity company in the FirstRand Group. Shalamuka's beneficiaries (educators and learners of Penreach) are 100 percent black and 90% black women.

"We are excited to work with Eaton" said Philile Maphumulo, director of Shalamuka Capital. "This partnership is a unique approach to helping to improve education, particularly in Mathematics and Science. Students that are beneficiaries of Shalamuka Foundation could potentially become electrical engineers working at Eaton one day."

"Eaton SA's acquisition of ALVE will offer its clients a wider range of products, and more comprehensive services and solutions, including various turnkey solutions," says Mike Donaldson, director of RMB Corvest. "With demand for its products and solutions growing both locally and up into Africa, this was thus an ideal opportunity for Shalamuka to expand its investment portfolio."

Eaton Corporation is a diversified power management company with more than 100 years of experience providing energy-efficient solutions that help our customers effectively manage electrical, hydraulic and mechanical power. With 2011 sales of \$16.0 billion, Eaton is a global technology leader in electrical components, systems and services for power quality, distribution and control; hydraulics components, systems and services for industrial and mobile equipment; aerospace fuel, hydraulics and pneumatic systems for commercial and military use; and truck and automotive drivetrain and powertrain systems for performance, fuel economy and safety. Eaton has approximately 73,000 employees and sells products to customers in more than 150 countries. For more information, visit www.eaton.com.

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