



Generac to Acquire Selmeq Equipos Industriales, S.A. de C.V.

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Acquisition of Selmeq strengthens Generac's position as a leader in the Latin American generator market

WAUKESHA, Wis., Feb. 13, 2018 (GLOBE NEWSWIRE) -- Generac Holdings Inc. (NYSE:GNRC), a leading global designer and manufacturer of generators and other engine powered products, announced today the signing of a purchase agreement to acquire the shares of Selmeq Equipos Industriales, S.A. de C.V. and its wholly-owned subsidiaries from Enesa Energia, S.A. de C.V. and Enesa, S.A. de C.V. The agreement includes the power generator product and after-sale support services of the business.

Selmeq, founded in 1941 and headquartered in Mexico City, is a designer and manufacturer of industrial generators from 10 kW to 2,750 kW. With approximately 300 employees and 100,000 sq.ft. of production capacity, Selmeq offers a market leading service platform and specialized engineering capabilities, together with robust integration, project management and remote monitoring services.

"Selmeq's deep experience in standby energy solutions, specifically telecom, data center and other mission critical applications, where power is essential for operational continuity, makes this a great fit for our Latin America strategy," said Ricardo Navarro, Generac's Senior Vice President - Latin America. "Acquiring Selmeq will allow us to dynamically scale our existing Ottomotores business, leveraging both distribution and operational footprints of the combined businesses to offer the Latin American market a broader portfolio of products and solutions."

"This is a very exciting development for Selmeq to partner with a global leader in power generation technology to offer an expanded portfolio of products and solutions. This transaction will allow Selmeq to continue to innovate, leveraging Generac's technical capabilities and expertise especially in gaseous powered generation," said Gabriel Hajj, Selmeq's CEO and Principal at Enesa. "We are pleased to join the Generac family, and we look forward to our continued success as we work together to provide greater value to our customers."

The transaction is expected to close in three to six months following pending receipt of required regulatory approval.

About Generac (NYSE:GNRC):

Since 1959, Generac has been a leading designer and manufacturer of a wide range of power generation equipment and other engine powered products. As a leader in power equipment serving residential, light commercial, and industrial markets, Generac's power products are available globally through a broad network of independent dealers, distributors, retailers, wholesalers and equipment rental companies, as well as sold direct to certain end user customers.

About Grupo Enesa (Enesa Energia, S.A. de C.V. and Enesa, S.A. de C.V.)

Grupo Enesa is a private equity fund that invests and manages companies in the energy and health sectors in Mexico and Latin America. Its leadership team is integrated by a group of professionals who have extensive experience in finance and management operations, as well as a broad knowledge of the industries and markets in which the fund participates. The fund operates under a long-term strategy, focused on building solid, high potential organizations.

About Selmeq (Selmeq Equipos Industriales, S.A. de C.V.):

With more than 75 years in the distributed energy market, Selmeq designs and manufactures diesel generators from 10kW to 2,750kW and natural gas and LP gas generators from 30kW to 400kW. Selmeq products are complemented with experience in integral solutions for engineering, procurement, implementation, operation and maintenance of power generation and management projects.

Forward-looking Information

Certain statements contained in this news release, as well as other information provided from time to time by Generac Holdings Inc. or its employees, may contain forward looking statements that involve risks and uncertainties that could cause actual results to differ materially from those in the forward looking statements. Forward-looking statements give Generac's current expectations and projections relating to the Company's financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "anticipate," "estimate," "expect," "forecast," "project," "plan," "intend," "believe," "confident," "may," "should," "can have," "likely," "future," "optimistic" and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events.

Any such forward looking statements are not guarantees of performance or results, and involve risks, uncertainties (some of which are beyond the Company's control) and assumptions. Although Generac believes any forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect Generac's actual financial results and cause them to differ materially from those anticipated in any forward-looking statements, including:

- frequency and duration of power outages impacting demand for Generac products;
- availability, cost and quality of raw materials and key components used in producing Generac products;
- the impact on our results of possible fluctuations in interest rates, foreign currency exchange rates, commodities and product mix;
- the possibility that the expected synergies, efficiencies and cost savings of our acquisitions will not be realized, or will not be realized within the expected time period;
- the risk that our acquisitions will not be integrated successfully;

- difficulties Generac may encounter as its business expands globally;
- Generac's dependence on its distribution network;
- Generac's ability to invest in, develop or adapt to changing technologies and manufacturing techniques;
- loss of key management and employees;
- increase in product and other liability claims or recalls; and
- changes in environmental, health and safety laws and regulations.

Should one or more of these risks or uncertainties materialize, Generac's actual results may vary in material respects from those projected in any forward-looking statements. A detailed discussion of these and other factors that may affect future results is contained in Generac's filings with the U.S. Securities and Exchange Commission ("SEC"), particularly in the Risk Factors section of the 2016 Annual Report on Form 10-K and in its periodic reports on Form 10-Q. Stockholders, potential investors and other readers should consider these factors carefully in evaluating the forward-looking statements.

Any forward-looking statement made by Generac in this press release speaks only as of the date on which it is made. Generac undertakes no obligation to update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

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