

Stahl completed the acquisition of Clariant Leather Services

Wendel today confirms that the acquisition of Clariant's Leather Services division by Stahl has been completed. In exchange for the sale of its assets to Stahl, Clariant received 23% of the shares of Stahl and a cash payment of €74 million.

Wendel remains the principal shareholder of Stahl, with c.70% of the group's capital.

In order to finance the transaction, Stahl has put in place a new financing of €295m, of which c€260m have been drawn, maturing in June 2019, in a club deal arrangement jointly coordinated by ABN Amro Bank N.V. and Commerzbank AG. This new financing was used i) to refinance Stahl's existing credit lines, ii) to pay Clariant cash consideration, and iii) to redeem partially shareholder loans for €56 million in cash to Wendel - for 50M€ - and to Stahl former lenders (pre-2010 restructuring) and Stahl management team.

At closing, the net debt represented c.3.0x LTM pro forma EBITDA, thus allowing Stahl to continue growing and developing.

With this acquisition, Stahl will have total combined sales of €603 million and EBITDA of €84 million before synergies (2013 full year basis). After implementation of the synergies, estimated at more than €15 million at the EBITDA level and to be deployed over the 18 months following the completion of the deal, the group should achieve an EBITDA margin in excess of 15%.

