

## SEVERN TRENT SELLS ITS SHARE OF ITS WATER PURIFICATION BUSINESS JOINT VENTURE FOR £50.8 MILLION TO INDUSTRIE DE NORA

Water utility group Severn Trent Plc is selling the water purification part of its non-regulated business services section to long-term Italian partner Industrie De Nora SpA.

The water purification business provides disinfection and filtration technology solutions for the global onshore and offshore energy, marine and municipal markets. Severn Trent Plc Group's £50.8m share of the enterprise (valued in total at £61.9m) will be settled through a cash payment of £12.6m plus settlement of net inter-company debt.

Severn Trent and privately owned De Nora have been partners in a successful joint venture, Severn Trent De Nora, since 2002, specialising in electrochemical water and waste water treatment processes. This entity, Severn Trent De Nora, is part of the transaction.

Thierry Noel from Amane Advisors was the advisor to the buyer for the due diligence. Amane Advisors is specialised in the Global Water market. Deep understanding of the market, sales channels, competition, and competitive advantage of the water market players was key.

The move by Severn Trent plc follows a recent reorganisation of its non-regulated businesses into one new 'Business Services' division. The sale of the water purification business will allow the management team to focus on creating value from its core businesses in water and waste water services, which include Operating Services US, and Operating Services UK, including non-household retail, and renewable energy.

Liv Garfield, chief executive officer at Severn Trent Plc, explained: "This sale will allow us to focus on our core water and waste water service businesses in the UK and abroad. We remain committed to our Business Services portfolio, which is focused on delivering growth in water and waste water services in the UK and internationally."

### Severn Trent sells its share of its water purification business joint venture for £50.8m to Industrie De Nora

Debt providers:



Commercial due diligence provider:



amane|advisors

Legal advisor to purchaser:

**Linklaters**

Legal advisor to the debt provider:

GATTALMINOLI, PARTNERS  
STUDIO LEGALE

Legal advisor to the vendor:

**Herbert Smith**

Financial Due Diligence Provider for Purchaser and Systems Due Diligence Provider:



Financial advisor to the vendor:



Tax advisor:



## METRO GROUP DIVESTS WHOLESALE ACTIVITIES IN GREECE

Düsseldorf-based Metro Group will divest its Greek wholesale subsidiary Makro Cash & Carry to the local retail group Sklavenitis.

The transaction covers the complete operational business of Makro Greece including nine wholesale stores and the relevant real-estate portfolio for an enterprise value of €65 million. Metro Group expects this deal to yield a neutral EBIT effect for financial year 2014/2015.

"With Sklavenitis, we found the perfect partner for our Greek cash & carry business," said Olaf Koch, Chairman of the Management Board of Metro AG and CEO of Metro Cash & Carry. "Sklavenitis is already very well positioned in Greece and can leverage economies of scale and synergies with Makro which we would not have been able to achieve on our own."

Metro Group started its wholesale business in Greece in 1992 and operates nine wholesale stores with around 1,000 employees across the country. The national subsidiary generated sales of €301 million (\$341 million) in the pro forma financial year 2012/13.

The PwC M&A team in Greece acted as exclusive financial adviser to Sklavenitis also providing debt advice. The PwC M&A team was led by Costas Mitropoulos and George Nikas (Athens) and Alexander von Friesen (Frankfurt). Due diligence and tax advisory services were also performed by PwC.

### The Metro group sells Makro Cash and Carry to Sklavenitis

Financial due diligence provider/ tax advisor and financial advisor to the management team:



Legal advisor to the management team:

**KARATZAS & PARTNERS LAW FIRM**

Debt provider:

