



PRESS RELEASE

MANDARIN CAPITAL PARTNERS/ PRESS RELEASE ANNOUNCING ACQUISITION OF UNION DERIVAN BY ITALMATCH

Milan, 7 Jan 2013 _ **Italmatch Chemicals S.p.A.**, a specialty chemicals company controlled by PE fund **Mandarin Capital Partners** and mainly focused on flame retardants and additives for plastics and lubricants, has completed the acquisition of **Spanish company Union Derivan SA (Undesa)**, an oleochemical company with facilities in Barcelona and Zaragoza, from Snia S.p.A.

“The rationale of Undesa acquisition,” explains **Italmatch managing director Sergio Iorio** “is twofold. On one hand, the expansion of the production capacity of fatty acids will allow a vertical integration of several products already produced by Italmatch in its Arese plant, while on the other hand,” continues Iorio, “the strong complementary nature in terms of product portfolio will further strengthen Italmatch’s competitive positioning in the lubricant and plastic additives sector, with particular regard to renewable products that are of great interest for the biodegradables market.”

Thanks to the acquisition of **Undesa**, Italmatch would have closed 2012 with a pro-forma turnover of more than €140 million and an EBITDA of about €24 million.

The legal aspects of the operation were followed by Roberto Rio and Elmar Zwick of the LMCR – La Torre Morgese Cesaro Rio law offices, the fiscal structure was done by STLex – Studio Tributario Societario, while due diligence and financial was conducted by the Genoa offices of KPMG. Current managing director Santiago Bargueno will remain at the helm of Union Derivan.

Italmatch, with **headquarters in Genoa** and **two production facilities in Spoleto and Arese (Milan)**, has been **present in China for many years** with two joint ventures for the production of phosphorus and a production facility in the municipality of Nantong. Italmatch’s roots in China are what attracted Mandarin Capital Partners, a private equity fund specializing in cross-border operations between Europe and China, and led to the fund acquiring a majority stake via a management buyout in late 2010. “The expansion of [Italmatch’s] product range obtained thanks to this acquisition,” points out **Enrico Ricotta, managing partner of Mandarin Capital Partners**, “will allow a further development of Italmatch’s commercial presence in Asian markets.”

Mandarin Capital, established in 2007 with more than €325 million, has closed its investment period after 10 operations involving European and Chinese companies, and is currently launching a second fund with a target of €500 million.

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