



Ambienta completes the sale of IP Cleaning group to Tennant Company for €330 million

Milan, 7 April 2017. Ambienta today announced the closing of the sale of IP Cleaning SpA (“IPC” or the “Company”) to US based Tennant Company (“Tennant”), listed on NYSE (TNC).

The deal, which was announced on 23 February 2017, has received all necessary regulatory approvals and values IPC at €330 million (\$353 million).

IPC is the #3 player in the European professional cleaning market. The Company manufactures its products in five plants located in the North of Italy and employs c. 1,000 people. It is a truly global company with product sales to over 100 countries and c. 90% of revenues recorded outside of Italy, of which a significant portion are from outside of Europe. Professional cleaning is an industry which revolves around and competes over resource efficiency: energy, water and detergents. IPC has developed innovative solutions across its product portfolio that in 2016 enabled energy savings of 19,000 tons of oil equivalent, water savings of 73,000 cubic meters and reduced the usage of 2,200 tons of detergents.

Since Ambienta’s over €50 million investment in IPC since 2014 through its funds Ambienta I and Ambienta II, the vast majority of which was invested to support growth, IPC has been transformed from a collection of semi-independent businesses into a fully integrated, strategically attractive industry leader. Ambienta recognised significant unrealised potential in IPC and over the last three years has supported IPC in strengthening its senior management, repositioning its commercial strategy and marketing, launching new products and completing a key strategic acquisition in the UK to drive revenue growth. Under Ambienta’s ownership IPC has also advanced its focus on ESG, further incorporating Environmental, Social and Governance issues in its daily activities.

The combination of these initiatives made IPC a stronger and more visible player in a consolidating market, in turn increasing its strategic value and triggering growing interest towards the Company. The speed of execution by management on the initiatives planned as part of the investment strategy allowed Ambienta to pick up early on that interest, and assess potential exit routes which ultimately led to the sale to Tennant.

Tennant Company is one of the largest global players in the professional cleaning market and the market leader in North America, with total revenues of \$808 million in 2016 and a \$1.3 billion market capitalisation. IPC represents a unique acquisition opportunity, as it significantly strengthens Tennant’s positioning in Europe, provides a complementary business model in terms of distribution and product range, and projects the group towards the strategic goal of \$1 billion turnover. IPC conversely will benefit from Tennant’s footprint and critical mass, gaining access to further growth opportunities globally. This acquisition represents the largest in Tennant’s history.

Mauro Roversi, Partner and Chief Investment Officer at Ambienta, commented: “It has been a privilege to work side by side with IPC’s talented management team to create a business for the long term. We were able to accomplish a full repositioning of the Company in a relatively short period of time resulting in a robust expansion of the turnover through the period of Ambienta’s ownership. This ultimately attracted the attention of one of the most credible industrialists in this sector. We are proud that the combination of IPC and Tennant will create one of the largest players in the global professional cleaning market. This is a natural next step in IPC’s evolution”.

Francesco Lodrini, Principal at Ambienta, added: “This exit represents a great accomplishment for all stakeholders, we are glad to see a stronger IPC finding a new owner which will further capitalise on its potential”.

Federico De Angelis, CEO at IPC commented: “The last three years have been transformational for IPC, a challenging and intense journey which I am very pleased ultimately allowed IPC to become a strategic target for one of the industry’s most renowned participants. I look forward to further developing the Company together with Tennant”.



The transaction was managed by Mauro Roversi (Partner and Chief Investment Officer), Francesco Lodrini (Principal) and Andrea Venturini (Associate) at Ambienta. Ambienta was advised by Baird (M&A), Linklaters (legal), EY (accounting, tax and ESG) and Roland Berger (market).

About Ambienta

Ambienta is a leading European private equity fund operating out of Milan, Düsseldorf and London, focused on industrial growth investing in companies driven by environmental trends. With funds under management of over €500 million, the world's largest capital pool for this strategy, Ambienta has completed twenty-three investments to date in the areas of resource efficiency and pollution control throughout Europe. Ambienta contributes actively to the development of its portfolio companies, offering industrial and managerial expertise and global connectivity.

For further information please visit www.ambientasgr.com

