

New Erste Group loan of EUR 34mn contributes to La Fantana recapitalization

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La Fantana, the leading bottler and distributor of water in Romania, announced it has successfully raised EUR 34mn in debt financing. La Fantana is controlled by private equity funds managed by Innova Capital.

The EUR denominated financing has been provided by Erste Group Bank AG and encompasses term loans and revolving credit facility. The proceeds will be used for refinancing of the existing debt and funding a distribution to shareholders, the package includes also facility to be used for potential bolt-on acquisitions.

"Innova has proven to be a successful fund manager operating in CEE since the early nineties and despite the "ups and downs" of the local economic development it has consistently delivered attractive returns for its investors. Erste Group has developed a long standing business relationship with Innova, dating back more than 10 years, and we are happy to further support their plans in the region", pointed out Ingo Bleier, head of Investment Banking at Erste Group.

"Over last five years La Fantana has been experiencing robust organic growth and completed bolt-on acquisition, solidifying its market leadership position and nearly tripling its earnings. Right now the Company is set for the next stage of expansion focused on complementary products and new geographies, and we are pleased to receive Erste Group Bank's support for La Fantana strategy for years to come", said Krzysztof Krawczyk, Managing Partner of Innova Capital.

La Fantana Group is the leading bottler and distributor of water for offices in Romania and Serbia as well as largest such company in SEE region. The company supplies a network of more than 100,000 water-cooling units installed across both countries. It holds market shares estimated at 70% in Romania and above 60% in Serbia. Since 2007 the company is owned by funds managed by Innova Capital and founder of the business, Mr Cristian Amza.

Low package water consumption and cooler penetration rates, underinvested water utilities and amid low drinking water quality as well as GDP growth and consumer affluence remain the main drivers for continued strong growth of the water cooler/Point of Use markets in Serbia and Romania.

About Innova Capital

Innova Capital is a leading mid-market private equity firm in Central Europe. Founded in 1994, Innova Capital has, so far, invested almost EUR 500 million in 40 companies, across 10 countries in the region. Please visit www.innovacap.com for more information.

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About Erste Group

Erste Group is the leading financial services provider in the Eastern part of the EU. Approximately 46,000 employees serve 16.6 million clients in around 2,900 branches in 7 countries (Austria, Czech Republic, Slovakia, Romania, Hungary, Croatia, Serbia). As of HY 2013 Erste Group has reached EUR 210.2 billion in total assets, a net profit of EUR 301.2 million and a cost-income-ratio of 52.8%.