

LSWR GROUP ACQUIRES GRUPO ASIS BIOMEDIA SL IN SPAIN

LSWR Group further consolidates its position in the healthcare sector by acquiring an international leader in veterinary training, information and communication

Milan, 8 March 2017 - LSWR Group is pleased to announce that on 28 February 2017 it completed the acquisition, through its subsidiary Edra S.p.A., of 100% of the shares of Grupo Asis Biomedica SL, a Spanish company based in Saragossa and international leader in training, information and communication services dedicated to professional veterinary service providers.

This acquisition lays the foundation for LSWR Group to reach consolidated sales of nearly 40 million euro in 2017 (compared to the approximately 29 million euro estimated for 2016).

UniCredit provided support for the deal by acting as financial assistant for the financing, continuing its long-term relationship with LSWR Group as financial partner of reference for both the company's domestic business and international development.

This deal further consolidates LSWR Group's leadership in the healthcare sector, already of strategic interest to the Group (approximately 80% of total 2016 sales), thanks to the brands Edra® and Imagine®, long synonymous with innovation, sustainability and resilience in the health systems of the countries in which it operates. The inclusion of Grupo Asis Biomedica SL strengthens LSWR Group's international position in the veterinary sector, a market that is growing at a significant rate at the global level, and thus lays the foundation for the creation of one of the world's most important publishing groups in this market.

Grupo Asis Biomedica SL offers its content and services in as many as 61 countries located on five continents, with a particular focus on Latin America, North America and Europe. On these markets, the company offers a complete range of services, in full synergy with LSWR Group's business model, centred on an integrated system of products and services such as books, periodicals, training and databases.

Grupo Asis Biomedica also stands out for the excellent financial results, as shown by its financial indicators. *"In 2016 our new Spanish subsidiary," commented Giovanni Viganò, CFO of LSWR Group, "reported revenues of 5.8 million euro (+4% on 2015) and a gross operating margin of 0.4 million euro (up sharply from the break-even point in 2015), with equity of 2.0 million euro and net cash of 0.8 million euro at the end of the year. Our goal for the future, as set in the business plan drawn up for our new subsidiary, is to reach total sales of approximately 8 million euro in the next four years."*

"The acquisition of Grupo Asis Biomedica SL is an important further step in our expansion process, both in Italy and internationally," commented Giorgio Albonetti, Chairman of LSWR Group, "allowing us to expand in one of the fastest-growing sectors of the global healthcare system - veterinary medicine. Grupo Asis Biomedica SL is a perfect match for our business model and we are proud to offer an increasingly complete range to an even broader market. Our prospects for the future are highly positive and focused on growth, thanks to the synergies from which both parties will benefit."

Management of Grupo Asis Biomedica SL will be based on solid continuity with the past, thanks to the involvement in the new business plan of Carlos Lacoma (outgoing shareholder and sole director), who commented: *"I am happy to be a part of a company that has truly become international, after achieving great success in Italy and the other countries in which it has operated."* Management will be entrusted to a new BoD, consisting of Giorgio Albonetti (former Chairman of Edra S.p.A), Carlos Lacoma (as CEO) and Giovanni Viganò (Board member and Group CFO).

The deal was coordinated by Giovanni Viganò (Group CFO and Legal Director of Edra S.p.A), with legal support from the Italian team at Orrick, Herrington & Sutcliffe (Special Counsel Anna Spanò and Associate Daniele Sotgiu) and the legal team at Ernst & Young Spain (Ana Belen Jurado Rodriguez and José Dominguez Leandro). The seller was assisted by the law firm HF Legal (José Herrera) and the consulting firm M&A Fusiones y Adquisiciones (Santi Benedé).
