

PRESS RELEASE

COMPLETED THE PURCHASE OF THE FINE ARTS BUSINESS OPERATED UNDER THE ICONIC PREMIUM PAPER BRAND ARCHES®

Milan, March 2, 2020 – On the date hereof, F.I.L.A. – Fabbrica Italiana Lapis ed Affini S.p.A. (ISIN Code IT0004967292) has completed, through its wholly owned subsidiary F.I.L.A.-Arches S.A.S., the acquisition of the fine arts business currently operated by the Ahlstrom-Munksjö Group under the ARCHES® brand.

Massimo Candela, Chief Executive Officer of F.I.L.A. stated: *"I am proud to announce the completion of the acquisition of ARCHES®, one of the best known brands in the global production and distribution of premium paper for fine arts. Despite the uncertainties surrounding the COVID-19 (coronavirus), the vision of the business and our expectations for 2020 remain positive. The first months of the year confirm the value of the integration of ARCHES® within our portfolio in the relationship with our distributors and customers and has further strengthened F.I.L.A. positioning as a recognized leader in the fine arts sector. This transaction, although limited in size, represents a display of confidence in the Group and its growth strategy".*

The total purchase price, on a debt-free cash-free basis, paid by F.I.L.A.- Arches S.A.S. for the acquisition of the Fine Arts Business is equal to Euro 43.6 million.

On 30 October 2019, F.I.L.A. had announced the signing of a non-binding memorandum of understanding for the acquisition by F.I.L.A., or one of its wholly owned subsidiaries, of the fine arts business operated by the Ahlstrom-Munksjö Group under the iconic premium paper brand Arches®. Prior to that, in April 2019, F.I.L.A. had entered into an exclusivity agreement with the Ahlstrom-Munksjö Group for the worldwide distribution by F.I.L.A. of all ARCHES® brand products, with effect from January 2020.

Since 1492, ARCHES® has represented the most widely used paper for the creative arts, preferred by, among the others, Van Gogh, Matisse, Chagall, Picasso, Braque, Miro, Dali,

F.I.L.A. Fabbrica Italiana Lapis ed Affini





Colouring the future. Since 1920.

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Warhol, Alechinsky, as well as by major art publishers. Famous throughout the world, ARCHES® products are used by a vast number of artists and publishers on all continents.

The right mixture of carefully selected fibres is the quintessence of ARCHES® papers and has been their guarantee of quality for over 500 years. The use of a particular production technique, known as cylinder mould, gives an excellent quality and a unique natural appearance. Each production cycle is submitted to many technical inspections, which guarantee the paper's undisputed quality that has made the brand's reputation over the centuries.

For this transaction, F.I.L.A. is supported by Houlihan Lokey as its sole financial advisor, by Skadden, Arps, Slate, Meagher & Flom LLP and Salonia Associati as legal advisors and by EY Advisory for the financial-accounting and fiscal due diligence activities. The Ahlstrom-Munksjö Group is supported by Bird & Bird LLP as legal advisor.

***F.I.L.A. (Fabbrica Italiana Lapis ed Affini)**, founded in Florence in 1920 and managed since 1956 by the Candela family, is a highly consolidated, dynamic and innovative Italian industrial enterprise and continues to grow market share. In November 2015, F.I.L.A. listed on the STAR segment of the Milan Stock Exchange. The company, with revenue of over Euro 600 million in 2018, has grown significantly over the last twenty years and has achieved a series of strategic acquisitions, including the Italian Adica Pongo, the US Dixon Ticonderoga and Pacon, the German LYRA, the Mexican Lapiceria Mexicana, the Brazilian Lycin, the English Daler-Rowney Lukas and St. Cuthberts and the French Canson*

F.I.L.A. is an icon of Italian creativity globally through its colouring, drawing, modelling, writing and painting tools, thanks to brands such as Giotto, Tratto, Das, Didò, Pongo, Lyra, Doms, Maimeri, Daler, Canson and Pacon. Since its foundation, F.I.L.A. has chosen to focus on growth through continuous innovation, both in technological and product terms, in order to enable individuals to express their ideas and talent through tools of exceptional quality. In addition, F.I.L.A. and the Group companies work together with the Institutions to support educational and cultural projects which promote creativity and expression among individuals and make culture accessible to all.

F.I.L.A. operates through 21 production facilities and 32 commercial branches across the globe and employs more than 9,500.

For further information

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