

## **Lanxess to buy Chemtura in \$2.7 billion chemical-company merger**

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Specialty chemical company Lanxess AG said Sunday it is buying Chemtura Corp. in a deal with an enterprise value of around 2.4 billion euros (\$2.7 billion).

Lanxess LXS, +2.73% said combining the two companies would expand its business activities in additives for lubricants and flame retardants. Lanxess said the value of the deal works out to about \$33.50 per share of Philadelphia-based Chemtura CHMT, +0.09%. That represents an 18.9% premium to the stock's closing share price of \$28.18 on Sept. 23, Chemtura said.

Lanxess, based in Cologne, Germany, intends to fund the deal using existing liquidity and issuing new debt. The company said it has secured bridge financing, which will quickly be refinanced via senior bonds and a hybrid bond. The deal is expected to close around mid-2017.

Lanxess also said its announced share buyback of around 200 million euros will not be pursued further.