Published on *EnPro Industries* (https://www.enproindustries.com) on September 25, 2019

EnPro Industries Announces Successful Completion of LeanTeq Co., Ltd. Acquisition

Release Date:
Wednesday, September 25, 2019 4:31 pm EDT

Terms:

Financial [1] M&A [2] acquisition [3] closed [4] credit terms [5] EnPro Industries [6] financing [7] LeanTeq [8] NPO [9]

Dateline City:
CHARLOTTE, N.C.

CHARLOTTE, N.C.--(BUSINESS WIRE [10])--EnPro Industries, Inc. (NYSE: NPO) today announced that it has closed the acquisition of LeanTeq Co., Ltd., a privately-held, Taiwan-based company. EnPro announced an agreement to acquire LeanTeq on July 22, 2019.

LeanTeq primarily provides refurbishment services for critical components and assemblies used in state-of-the-art semiconductor equipment. This equipment is used to produce the latest and most technologically advanced microchips for smartphones, autonomous vehicles, high-speed wireless connectivity (5G), artificial intelligence, and other leading-edge applications. LeanTeq will be part of EnPro's Sealing Products segment.

Transaction Terms and Financing
In connection with the completion of the acquisition, EnPro has entered into a $550 million amended and restated credit facility (the "New Credit Agreement"), consisting of a new $400 million revolving credit facility to replace its existing revolving credit facility and a new $150 million term loan. The maturity date of the revolving credit facility and the term loan under the New Credit Agreement is September 2024. Repayment of the term loan is made in an annual amount equal to 2.5% of the original principal amount of the term loan in each of years one through three, 5.0% of such original principal amount in year four, and 1.25% of such original principal amount in each of the first three quarters of year five, with the remaining outstanding principal amount payable at maturity. In connection with the New Credit Agreement, Bank of America Merrill Lynch acted as sole bookrunner and, together with Wells Fargo Securities, LLC, Fifth Third Bank and KeyBanc Capital Markets Inc., as joint lead arrangers.

The LeanTeq acquisition was funded through a combination of the revolving credit facility, the term loan facility, and rollover equity from LeanTeq executives. The revolving credit facility under the New Credit Agreement will continue to be utilized for working capital and general corporate purposes.

Wells Fargo Securities and Gibson Dunn & Crutcher, LLP served as advisors to EnPro. GCA Advisors and Skadden, Arps, Slate, Meagher & Flom LLP served as advisors to LeanTeq.

About EnPro Industries
EnPro Industries, Inc. is a leader in sealing products, metal polymer and filament wound bearings, components and service for reciprocating compressors, diesel and dual-fuel engines and other engineered products for use in critical applications by industries worldwide. For more information about EnPro, visit the company's website at http://www.enproindustries.com [11].

About LeanTeq Co., Ltd.
Founded in 2011, LeanTeq primarily provides cleaning, testing and verification services for critical components and assemblies used in state-of-the-art semiconductor equipment. Since its founding, LeanTeq's customer base has expanded from Taiwan to many other countries around the world and LeanTeq provides services to integrated device manufacturers, foundries, and OEM equipment suppliers. LeanTeq offers highly differentiated, proprietary, technology-enabled processes through a comprehensive service offering, market-leading process tool expertise, and broad materials proficiency. These capabilities extend the service life cycle of parts and shorten the time for cleaning of chamber components. For more information about LeanTeq, visit the company's website at http://www.leanteq.com.tw/english/ [12].

Forward-Looking Statements
Statements in this press release that express a belief, expectation or intention, as well as those that are not historical fact, are forward-looking statements under the Private Securities Litigation Reform Act of 1995. They involve a number of risks and uncertainties that may cause actual events and results to differ materially from such forward-looking statements. These risks and uncertainties include, but are not limited to: general economic conditions in the markets served by EnPro's businesses, some of which are cyclical and experience periodic downturns; prices and availability of its raw materials; the impact of fluctuations in relevant foreign currency exchange rates; unanticipated delays or problems in introducing new products; the incurrence of contractual penalties for the late delivery of long lead-time products; announcements by competitors of new products, services or technological innovations; changes in its pricing policies or the pricing policies of its competitors; the impact of the acquisition of LeanTeq on its existing customer relationships; and the amount of any payments required to satisfy contingent liabilities related to discontinued operations of its predecessors, including liabilities for certain products, environmental matters, employee benefit obligations and other matters. EnPro's filings with the Securities and Exchange Commission, including its most recent Form 10-K and Form 10-Q, describe these and other risks and uncertainties in more detail. EnPro does not undertake to update any forward-looking statements made in this press release to reflect any change in management's expectations or any change in the assumptions or circumstances on which such

statements are based.

Language:
English

Contact:

Chris O'Neal
Senior Vice President - Strategy, Corporate Development and Investor Relations
Phone: 704-731-1527
Email: investor.relations@enproindustries.com [13]

Ticker Slug:
Ticker: NPO
Exchange: NYSE

Source URL: https://www.enproindustries.com/press-release/financial/enpro-industries-announces-successful-completion-leanteq-co-ltd

Links:
[1] http://www.enproindustries.com/category/press-release-category/financial
[2] http://www.enproindustries.com/category/press-release-category/m-a
[3] http://www.enproindustries.com/category/bw-tag/acquisition
[4] http://www.enproindustries.com/category/bw-tag/closed
[5] http://www.enproindustries.com/category/bw-tag/credit-terms
[6] http://www.enproindustries.com/category/bw-tag/enpro-industries
[7] http://www.enproindustries.com/category/bw-tag/financing
[8] http://www.enproindustries.com/category/bw-tag/leanteq
[9] http://www.enproindustries.com/category/bw-tag/npo
[10] http://www.businesswire.com
[11] https://www.enproindustries.com/press-release/financial/enpro-industries-announces-successful-completion-leanteq-co-ltd
[12] http://www.leanteq.com.tw/english/
[13] mailto:investor.relations@enproindustries.com