

Deal of the Week: U.K.'s Pamplona in \$1.4 billion deal

Announcement Date	<ul style="list-style-type: none"> May 15, 2013 	
Acquirer	<ul style="list-style-type: none"> Pamplona Capital Management 	
Acquirer Description	<ul style="list-style-type: none"> Privately owned hedge fund sponsor. Manages hedge fund of funds for its clients with over \$6 billion in assets under management Founded in 2004 and based in London 	
Target	<ul style="list-style-type: none"> Coinmach Service Corp & AIR-serv Group LLC 	
Target Description	<ul style="list-style-type: none"> Coinmach Service Corp., through its subsidiaries, provides outsourced laundry equipment services to multi-family housing properties, military institutions, college campuses, co-ops, condos, and hospitality industries in the United States. The company was incorporated in 2003 and is headquartered in Plainview, New York AIR-serv Group LLC provides tire inflation and vacuum services to the driving public at convenience stores, gasoline stations, and car washes in the United States, Canada, the United Kingdom, and Europe. The company was founded in 1981 and is based in Mendota Heights, Minnesota 	
Target Financial Stats	<ul style="list-style-type: none"> LTM Revenue: \$552.3 million 	<ul style="list-style-type: none"> LTM EBITDA: \$144.2 million
Price / Consideration	<ul style="list-style-type: none"> Price: \$1.4 billion 	<ul style="list-style-type: none"> Consideration: Cash and Debt
Acquirer Advisors	<ul style="list-style-type: none"> Morgan Stanley 	
Target Advisors	<ul style="list-style-type: none"> Evercore & Deutsche Bank (Coinmach) Blackstone (AIR-serv Group) 	
Rationale	<ul style="list-style-type: none"> "Pamplona is excited to partner with Bob Doyle and his world-class team. With the combined company's new and flexible capital structure, we look forward to supporting the company's growth strategy, including future acquisitions, in both the laundry and air service lines" said Robert Warden, partner at Pamplona Capital 	
Of Note	<ul style="list-style-type: none"> The private equity firm will pay \$1.1 billion for Coinmach and \$300 million for Air-serv. The combination, with a transaction value of \$1.4 billion, creates a new company, CSC ServiceWorks Pamplona is putting up about \$270 million in equity as part of the deal, according to sources. The debt financing component of the buyout includes a \$795 million first-lien loan, which was upsized from \$770 million, a \$325 million second-lien term loan and a \$50 million revolver Sources familiar with the deal said Coinmach originally went up on the auction block in September. The company received interest from large mid-cap and large-cap private equity firms. Bidders dropped away for the second round, however, when the price was raised as AIR-serv was added to the deal Pamplona's most recent acquisitions for its private equity portfolio include the German tissue products maker Wepa Group and the U.K.-based mortgage services provider Oakwood Global Finance LLP 	