



VARTA AG  
Daimlerstr. 1 · 73479 Ellwangen · Germany

## **Press release**

Ellwangen, October 10, 2017

### **VARTA AG sets IPO price range of EUR 15.00 to 17.50 per share**

- Total issuance volume of c. EUR 224.3 million to c. EUR 232.9 million, if greenshoe option is fully exercised
- Capital increase of approximately EUR 150 million, corresponding to up to 10,000,000 new shares
- Secondary offering of 3,000,000 existing shares, additional potential over-allotment of up to 1,950,000 existing shares
- Expected free float post-IPO of up to c. 38 percent, if the over-allotment option is fully exercised
- Price range corresponds to a market capitalization of c. EUR 594 million to c. EUR 668 million
- Offer period to commence on October 11, 2017, and expected to end on October 24, 2017
- Trading on the Frankfurt stock exchange planned to start on October 25, 2017

Together with its indirect sole shareholder Montana Tech Components AG and the bank consortium, VARTA AG has set the framework for its envisaged initial public offering (IPO) in the regulated market of the Frankfurt Stock Exchange (Prime Standard). The prospectus has been approved by the German financial supervisory authority (BaFin). The price range for the offered shares is between EUR 15.00 and EUR 17.50 per share. The offer period, during which interested investors can subscribe VARTA AG shares, will commence on October 11, 2017, and is expected to end on October 24, 2017. The shares are to be listed for the first time on October 25, 2017.

“The IPO of VARTA AG has reached the decisive phase,” says Herbert Schein, the company’s CEO. “We are excellently positioned in the market and have shown a very strong performance in the first six months of 2017. Demand for our products is strong and our company’s growth potential is high. That has given us a boost as we head toward the dialog with investors.”

The IPO consists of a public offering in Germany and Austria as well as private placements with institutional investors outside of Germany and Luxembourg and additional jurisdictions outside of the United States of America, pursuant to regulation S of the US Securities Act of 1933 in the currently valid version (“Securities Act”) as well as qualified institutional investors in the United States of America pursuant to Rule 144A under the Securities Act, as amended.



## **Capital increase of about EUR 150 million planned**

The number of shares offered will depend on the issuance price. Depending on the final issuance price, between 8,571,429 and 10,000,000 new shares will be issued in order to achieve the envisaged EUR 150 million capital increase. In addition to these new shares, Montana Tech Components AG, as indirect sole shareholder, will offer 3,000,000 of its existing shares via its subsidiary VGG GmbH. VGG GmbH also provides up to further 1,950,000 existing shares to cover any potential over-allotment. Up to 14,950,000 shares may be offered in total. The total offer volume – including the capital increase, VGG GmbH's placement, and potential over-allotments – amounts to c. EUR 224.3 million to c. EUR 232.9 million. If all offered shares are placed, including all over-allotments and the exercise of the greenshoe option, a free float of up to c. 38 percent of the share capital is expected.

## **Proceeds of issuance to strengthen growth**

VARTA AG intends to use most of the expected gross proceeds of EUR 150 million generated from the IPO to expand production capacity of its operating subsidiaries, mainly in Germany. The company intends to use around EUR 80 million for the expansion of production capacity for rechargeable lithium-ion microbatteries and around EUR 30 million to install a new production line for zinc-air hearing aid microbatteries. In this area, VARTA AG has already increased its capacities on a continuous basis in the past to serve the lasting growth in the hearing aid market. In the Power & Energy segment, VARTA AG intends to use approximately EUR 20 million to invest in battery assembly plants in line with the project pipeline and strengthen its expertise particularly in software and electronics via a potential acquisition. The remainder will be used for general corporate purposes.

A twelve-month lock-up period will apply for the company and its CFO, Dr. Michael Pistauer, and a 24-month lock-up period for VARTA AG's CEO, Herbert Schein, and the existing shareholders.

The decision regarding the exact number of shares to be placed and the offer price is expected to be made on October 24, 2017. Trading on the regulated market of the Frankfurt Stock Exchange (Prime Standard) under the securities identification number (WKN) A0TGJ5 and the international securities identification number (ISIN) DE000A0TGJ55 is scheduled to start on October 25, 2017. The prospectus, which has been approved by BaFin, is available for download from the company's website: <http://www.varta-ag.com/investor-relations>.

Joh. Berenberg, Gossler & Co. KG is acting as Sole Global Coordinator and, together with UniCredit Bank AG, as Joint Bookrunner.

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## **About VARTA AG**

As the parent company of the Group, VARTA AG is active in the business segments Microbatteries and Power & Energy through its operating subsidiaries VARTA Microbattery GmbH and VARTA Storage GmbH. Already today an innovation leader in the microbattery sector and one of the market leaders for hearing-aid microbatteries, VARTA Microbattery GmbH also aspires to market leadership for lithium-ion batteries in wearables and particularly headphones. VARTA Storage GmbH focuses on intelligent energy solutions for customized battery storage systems for OEM customers and the design, system integration and assembly of stationary lithium-ion energy storage systems. The VARTA AG Group's operating subsidiaries are currently active in more than 75 countries around the world, with five production and assembly facilities in Europe and Asia as well as distribution centers in Asia, Europe and the United States.

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