



Current Agreements

Dealdoc

Acquisition agreement for SSL International

Reckitt Benckiser
SSL International

Jul 21 2010

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Companies:	Reckitt Benckiser SSL International
Announcement date:	Jul 21 2010
Deal value, US\$m:	3900.0 : transaction value

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Details

Announcement date:	Jul 21 2010
Industry sectors:	Consumer health

Financials

Deal value, US\$m:	3900.0 : transaction value
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Termsheet

21 July 2010

Reckitt Benckiser has agreed to buy Durex condom maker SSL International for 2.54 billion pounds.

Press Release

RECOMMENDED CASH OFFER FOR SSL INTERNATIONAL PLC BY RECKITT BENCKISER PLC, A WHOLLY-OWNED SUBSIDIARY OF RECKITT BENCKISER GROUP PLC Summary of the Offer

The boards of Reckitt Benckiser Group plc ("Reckitt Benckiser") and SSL International plc ("SSL") are pleased to announce that they have reached agreement on the terms of a recommended cash offer to be made by Reckitt Benckiser plc, a wholly-owned subsidiary of Reckitt Benckiser, to acquire the entire issued and to be issued share capital of SSL (the "Offer").

SSL is a focused consumer products company with leading global brands such as Durex and Scholl, as well as a portfolio of local brands.

Reckitt Benckiser is a world leader in household and health & personal care. The acquisition of SSL provides Reckitt Benckiser with an attractive opportunity to increase its presence in the health & personal care sector.

Under the terms of the Offer, SSL Shareholders will be entitled to receive 1163 pence in cash per SSL Share (the "Offer Price") and will also remain entitled to receive the proposed final dividend of 8 pence per share in respect of the year ended 31 March 2010 (the "SSL Dividend"), representing, in aggregate, 1171 pence per SSL Share.

The Offer Price plus the SSL Dividend values SSL's fully diluted share capital at approximately £2,540 million.

The Offer provides SSL Shareholders with a compelling opportunity to realise full value up front for their investment in SSL in cash.

The Offer Price plus the SSL Dividend represents:

a premium of approximately 32.8 per cent. to the closing price of 882 pence per SSL Share on 20 July 2010, being the last business day prior to the Announcement Date;

a premium of approximately 39.3 per cent. to the average closing price of approximately 840.7 pence per SSL Share for the one month period to 20 July 2010; and

a premium of approximately 44.7 per cent. to the average closing price of approximately 809.3 pence per SSL Share for the six month period to 20 July 2010.

The SSL Directors, who have been so advised by J.P. Morgan Cazenove and Lazard, consider the terms of the Offer to be fair and reasonable. In providing their advice to the SSL Directors, J.P. Morgan Cazenove and Lazard have taken into account the commercial assessments of the SSL Directors. Accordingly, the SSL Directors intend to recommend unanimously that SSL Shareholders accept the Offer, as they have irrevocably undertaken to do in respect of their own beneficial holdings of SSL Shares amounting to, in aggregate, 1,723,426 issued and to be issued SSL Shares and representing approximately 0.8 per cent. of the fully diluted share capital of SSL. Commenting on the Offer, Bart Becht, Chief Executive Officer of Reckitt Benckiser, said:

"The acquisition of SSL will provide a step change to Reckitt Benckiser's global health & personal care business, which has been a key driver of Reckitt Benckiser's net revenue growth and profit progression. It is anticipated that the acquisition will increase Reckitt Benckiser's health & personal care net revenues by over 36 per cent. to approximately £2.8 billion, one third of the Group's total net revenues.

The acquisition will add two new Powerbrands, with good further growth potential, to Reckitt Benckiser's current arsenal, making 19 Powerbrands in total. Durex, in the sexual wellbeing category, is the global number one condom brand and Scholl is the market leader in the footcare category in many of the markets where it is present.

Underlying growth of SSL's branded consumer business was 4 per cent. in its last financial year. We believe that we could drive further growth in the acquired business, especially Durex and Scholl, by investing in SSL and Reckitt Benckiser's proven innovation and brand building capabilities and by taking advantage of our greater distribution strength.

The acquisition of SSL will also materially enhance the scale and critical mass of Reckitt Benckiser's businesses in China and Japan. We expect cost synergies in the region of £100 million per annum from the combined group by the end of 2012, resulting in an improved margin profile for the acquired business.

This, combined with the good growth potential of the SSL business, makes it an attractive acquisition for Reckitt Benckiser's shareholders. Excluding restructuring charges, the deal is expected to be immediately earnings enhancing for Reckitt Benckiser."

Commenting on the Offer, Gerald Corbett, Chairman of SSL, said:

"In the last five years, product development, cost control, improvement to systems and supply chains and well judged acquisitions have trebled SSL's profits. Garry Watts (our CEO), his management team and every SSL employee around the world can be truly proud of what has been achieved. This offer is some four times the level of SSL's share price five years ago. I believe few shares in investors' portfolios have done as well. Reckitt Benckiser is a well regarded company and I am sure our brands and people will be in good hands."

Information on SSL

SSL is a focused consumer products company with leading global brands such as Durex and Scholl, as well as a portfolio of local brands.

SSL is the global leader in condoms for both safe and more pleasurable sex. Its two major condom brands are Durex and Context.

Scholl is the footcare leader in many of the markets where it is present and is owned by SSL in many markets outside of North America and Latin America. Scholl is also a leading player in comfort footwear.

SSL's local brands, sold predominantly in Europe, include Mister Baby, Sauber, Silkoplast, Meltus, Medised and Paramol.

SSL has operations in over 30 countries across Europe, Asia Pacific and the Americas, sells into over 100 countries worldwide, and has manufacturing operations in India, Thailand, China and the UK. SSL employs approximately 10,000 people globally.

For the year ended 31 March 2010, SSL reported sales of £802.5 million and operating profit of £126.0 million. In the same period, SSL achieved reported sales growth of 24.9 per cent. with 4.1 per cent. underlying growth for its branded consumer business and 1.8 per cent. underlying growth for the overall business.

SSL's net debt of £41.1 million as at 31 March 2010 has since been impacted by the acquisition of a further 24.7 per cent. of BLBV, the holding company for its Russian operations, for a cash cost of £144.0 million, the completion of the acquisition of the Rosetex brand for £3.8 million and the payment of deferred consideration in relation to the acquisition of the Orthaheel brand for £25.3 million.

In accordance with Rule 19.11 of the City Code, a copy of this announcement will be available on Reckitt Benckiser's website (www.rb.com/investors-media) and on SSL's website (www.sslinternational.com) by no later than 12 noon on 22 July 2010.

18 August 2010

Reckitt Benckiser Group plc Recommended Cash Offer by Reckitt Benckiser plc, a wholly-owned subsidiary of Reckitt Benckiser Group plc, for SSL International plc Posting of Offer Document

Following the announcement on 21 July 2010 by Reckitt Benckiser Group plc ("Reckitt Benckiser") of a recommended cash offer (the "Offer") by its wholly-owned subsidiary Reckitt Benckiser plc (the "Offeror") to acquire the entire issued and to be issued ordinary share capital of SSL International plc ("SSL") at an offer price of 1163 pence per SSL Share (the "Offer Price"), Reckitt Benckiser announces that the offer document ("Offer Document") containing the full terms of, and conditions to, the Offer is being posted to SSL Shareholders today together with the Form of Acceptance (in the case of holders of SSL Shares in certificated form).

Under the terms of the Offer, SSL Shareholders will also retain the right to receive the final dividend of 8 pence per SSL Share in respect of the year ended 31 March 2010, which will be paid on 2 September 2010 to those SSL Shareholders who were on the register of members of SSL at close of business on 6 August 2010 (the "SSL Dividend"). The Offer Price plus the SSL Dividend therefore represents, in aggregate, 1171 pence per SSL Share and values SSL's fully diluted share capital at approximately £2,540 million.

The Offer will initially remain open for acceptance until 1.00 p.m. (London time) on 16 September 2010.

To accept the Offer in respect of SSL Shares held in certificated form, SSL Shareholders must complete, sign and return the Form of Acceptance, together with their share certificate(s) or other relevant document(s) of title, in accordance with the instructions contained therein and set out in the Offer Document, as soon as possible and, in any event, so as to be received by Capita Registrars by no later than 1.00 p.m. (London time) on 16 September 2010.

To accept the Offer in respect of SSL Shares held in uncertificated form (that is, in CREST), SSL Shareholders must follow the procedure for electronic acceptance through CREST in accordance with the instructions set out in the Offer Document so that the TTE Instruction settles as soon as possible and, in any event, by no later than 1.00 p.m. (London time) on 16 September 2010. If SSL Shareholders hold their SSL Shares as a CREST sponsored member, they should refer to their CREST sponsor as only their CREST sponsor will be able to send the necessary TTE Instruction to Euroclear.

The Offer Document and Form of Acceptance will be available for inspection at the offices of Slaughter and May, One Bunhill Row, London EC1Y 8YY, during normal business hours on any

weekday (Saturdays, Sundays and public holidays excepted) until the end of the Offer Period. A copy of the Offer Document and Form of Acceptance are also, or will shortly be, available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, for inspection on Reckitt Benckiser's website at www.rb.com and SSL's website at www.sslinternational.com until the end of the Offer Period. Capitalised terms used but not defined in this announcement shall have the meaning given to them in the Offer Document.

16 September 2010

Reckitt Benckiser Group plc Recommended cash offer for SSL International plc ("SSL") by Reckitt Benckiser plc (a wholly-owned subsidiary of Reckitt Benckiser Group plc ("Reckitt Benckiser"))

OFFER EXTENDED TO 7 OCTOBER 2010

Introduction

On 21 July 2010, the boards of directors of Reckitt Benckiser and SSL announced that they had reached agreement on the terms of a recommended cash offer for the entire issued and to be issued share capital of SSL, to be made by Reckitt Benckiser plc, a wholly-owned subsidiary of Reckitt Benckiser. The full terms of, and conditions to, the Offer and the procedure for acceptance were set out in the offer document issued by Reckitt Benckiser plc on 18 August 2010 (the "Offer Document").

Level of Acceptances As at 1:00 p.m. (London time) on 16 September 2010 (being the first closing date of the Offer), Reckitt Benckiser plc had received valid acceptances from SSL Shareholders in respect of 97,441,405 SSL Shares representing approximately 45.68 per cent. of the existing issued share capital of SSL.

These acceptances include acceptances received in respect of 383,722 SSL Shares (representing approximately 0.18 per cent. of the existing issued share capital of SSL) which were subject to irrevocable commitments procured by Reckitt Benckiser plc from all of the SSL Directors¹.

As at 1:00 p.m. (London time) on 16 September 2010, Reckitt Benckiser may count 97,441,405 SSL Shares (representing approximately 45.68 per cent. of the existing issued share capital of SSL) towards the satisfaction of the acceptance condition to the Offer (as set out in paragraph (A) of Part A of Appendix I of the Offer Document). Extension of the Offer The Offer, which remains subject to the terms and conditions set out in the Offer Document, is being extended to, and will remain open for acceptance until, the next closing date which will be 1:00 p.m. (London time) on 7 October 2010. Any further extensions of the Offer will be publicly announced by 8:00 a.m. (London time) on the business day following the day on which the Offer is otherwise due to expire, or such later time or date as the Panel may agree.

Procedure for acceptance of the Offer

remains open for acceptance.

Filing Data

Not available.

Contract

Not available.