

Ambienta seals first deal from new fund

Published: **03 July 2014**

By: **Yolanda Bobeldijk**

The firm has acquired IP Cleaning, an Italian manufacturing business for the cleaning sector, for approximately €150m.

Ambienta, an Italy-based firm focused on pan-European investments in the environmental sector, has acquired IP Cleaning, a manufacturer of machines and equipment for the professional cleaning sector, according to a statement.

Ambienta has invested €50 million in the business, it said. The enterprise value was €150 million, which includes some existing debt facilities, according to a source familiar with the matter.

Ambienta declined to comment on financials.

The business, which is headquartered in the north of Italy, generated €170 million of revenues last year and had an EBITDA of €27 million. Approximately 90 percent of its sales come from outside of Italy, it is understood.

Ambienta aims to capitalise on the growing markets for businesses focused on energy and resource efficiency, waste management and pollution, and renewable energy services. Pollution control is now a \$443 billion market with key drivers including rising air pollution, declining water quality and soil pollution, which company is benefiting from, according to the source.

The deal will be the first transaction from Ambienta's second fund, which came to market last June targeting €300 million. Last month, the vehicle held a €250 million interim closing, PEI revealed at the time.

The fundraising is going "very well", a source told PEI earlier. The firm is expected to hold a €300 million final close in the summer.

The firm's second fund will be substantially larger than Ambienta's debut fund, which closed in 2009 on €217 million. So far, Ambienta has made one divestment from Fund I. Last July, it sold Tower Light, a business that makes lighting towers for construction sites to an American trade buyer. The company had a 30 percent growth rate, with 90 percent of the sales coming outside of Italy and a big chunk coming outside

of Europe. “It delivered an internal rate of return in triple digits,” Nino Tronchetti Provera, founder and managing partner at Ambianta, told PEI earlier.