4-22-2015

Latvia completes Citadele banka sale

SNL Financial Services Daily

https://elischolar.library.yale.edu/ypfs-documents2/1783

This resource is brought to you for free and open access by the Yale Program on Financial Stability and EliScholar, a digital platform for scholarly publishing provided by Yale University Library. For more information, please contact ypf@yale.edu.
Latvia completes Citadele banka sale

Shreeja Dayanand
22 April 2015
SNL Financial Services Daily
SFSD
Issue: 85164
English
Copyright 2015. SNL Financial LC

The Latvian Privatization Agency said April 20 that it completed the sale of its 75% stake in AS Citadele banka to a group of 12 international investors led by Ripplewood Holdings LLC for €74.7 million, higher than the initially planned purchase price of €74 million.

Ripplewood Holdings will have a 22.4% stake in Citadele banka. The other 12 investors, including Baupost Group LLC, will jointly hold a 52.6% stake in the Latvian lender, the agency said.

Also, funds received from the sale will help the agency complete the restructuring of the former Parex Bank, which was split into Citadele banka and JSC Reverta.

Furthermore, the agency noted that of the €377.9 million of state aid received by Citadele banka, only a subordinated loan of €34.7 million and associated interest remain to be repaid. The bank plans to repay this by 2017-end.

Citadele banka said its shareholders increased the share capital by €10 million to €156.6 million. Additionally, its restructuring plan will be no longer subject to restrictions related to state aid imposed by European Commission rules.