

**Latvia** completes Citadele banka sale

Shreeja Dayanand

190 words

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.

Document SFSD000020150428eb4m0000x