



# LMI AEROSPACE ENTERS INTO MERGER AGREEMENT TO BE ACQUIRED BY SONACA GROUP

News / Finance



**LMI Aerospace Inc. has entered into a merger agreement to be acquired by Sonaca Group, a global aerostructures company headquartered in Gosselies, Belgium. Under the agreement, LMI shareholders will receive \$14 per share in an all-cash transaction. Sonaca's offer represents a 52 percent premium over LMI's closing share price on Feb. 16, 2017, of \$9.19 per share, a 63 percent premium over LMI's 3-month volume weighted average price up to and including Feb. 16, 2017, of \$8.59 per share, and a 78 percent premium over LMI's 6-month volume weighted average price up to and including Feb. 16, 2017, of \$7.88 per share.**

**In connection with the merger agreement, Sonaca has obtained debt and equity financing commitments. The merger agreement, however, does not include, and the consummation of the merger is not conditioned upon satisfaction of, a financing condition.**

"This deal brings our combined company to the forefront as a leader in the design and manufacture of complex aerostructures while working to diversify our global customer base," said Dan Korte, LMI Aerospace chief executive officer. "In addition, LMI and Sonaca have complementary product portfolios while largely serving different aerospace primes and Tier 1 suppliers around the world, enabling us to better serve our customers."

“The addition of LMI Aerospace to the Sonaca Group supports our vision to expand our capabilities in the United States,” said Bernard Delvaux, Sonaca chief executive officer. “Sonaca and LMI have both distinguished themselves in the industry through capabilities such as wing movables, wing panels, complex fuselage and structural assemblies, and together we will be able to strengthen our competitive advantage in the global aerospace market.”

LMI’s independent directors unanimously approved the transaction. The deal is expected to close mid-2017, subject to LMI shareholder approval as well as certain regulatory approvals and other customary closing conditions.

Upon transaction close, LMI will operate as LMI Aerospace – A Member of the Sonaca Group, with headquarters remaining in St. Louis. Korte will continue to serve as LMI Aerospace CEO and will report directly to Delvaux. Other members of the LMI senior leadership team also will remain in place and will continue their current reporting relationships. The company will continue investing in its current footprint, continuously improving its U.S. and worldwide infrastructure and the capabilities of its teams.

Lazard served as financial advisors and Gibson, Dunn & Crutcher LLP and Polsinelli PC served as legal advisors to LMI. Credit Suisse served as financial advisors and Arnold & Porter Kaye Scholer and Husch Blackwell served as legal advisors to Sonaca.

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