

With the Financial Advice of BBVA: Dentix Reaches Agreement with KKR to Boost Its International Expansion with €200m of Credit Financing

- ▮ **As a result of this agreement, Dentix will further expand its presence in Europe and Latin America, and open new markets in Asia Pacific**
- ▮ **This transaction is direct lending financing, which does not entail the entry of KKR into the equity of Dentix**
- ▮ **This is KKR's thirteenth investment in Spain in the last 6 years, and its second direct lending investment following the financing to SARquavitae in 2015**
- ▮ **BBVA has acted as financial advisor in this transaction. PwC Financial, Tax & Legal Services, Ropes & Gray and Linklaters have advised on legal and tax matters, and Due Diligence in this investment**

MADRID--(BUSINESS WIRE)-- Dentix, a leading company in the dental industry in Spain, has signed a strategic financing agreement with KKR, a leading global investment firm, who will provide €200m of long-term credit financing to the Company to boost its international expansion plan.

Dentix currently operates 251 clinics in four countries (Spain, Italy, Mexico and Colombia) and has set itself the goal of opening new clinics in the next 4 years in Europe, Latin America and Asia-Pacific. In 2015, Dentix reported revenues of €258m and expects to reach €350m in revenues in 2016.

Dentix entrusted BBVA, as financial advisor, with the search of the best option to finance its strong international expansion. BBVA is also one of the reference banks of the company in consumer finance.

After assessing different alternatives, an agreement has been reached with KKR, who proposed an attractive bespoke unitranche solution that met the company's needs for flexibility.

This investment is part of a strategic financing operation that will help to boost growth in the company's existing markets, in the markets where it has announced expansion plans for 2017 (Chile, Peru and the United Kingdom) as well as in new geographies in the medium term in Europe, Latin America and Asia-Pacific. PwC Tax & Legal Services, Ropes & Gray and Linklaters, as advisors of corporate transactions, including *Direct Lending*, have been legal and tax advisors to the transaction. PwC Financial Services has performed the Financial Due Diligence.

Angel Lorenzo, Chairman and Founder of Dentix, said: *"We are extremely pleased with this agreement, whereby KKR, a world leader in its sector, is backing our model and our expansion. Growth of the company in other countries has demonstrated that the 'Dentix Method' works and that our business model - delivering quality dentist services available to all - is well received everywhere."* Mr. Lorenzo added that BBVA *"is a strategic partner of the company in terms of consumer financing in many of the countries in which we are present"*.

Mark Brown, Director at KKR Credit, said: *"We are delighted to be providing Dentix with long-term credit financing that will support its international growth ambitions. The company's model of owned clinics and its vision for the sector's future have delivered impressive results over the last five years in Spain, and we are convinced of its potential to export and adapt this model into other international markets. This is our thirteenth investment in Spain since 2010, and the second direct lending credit investment in the region."*

Different model from other dental chains

Dentix is a wholly Spanish and family owned dental company which adopts a different business model from other Spanish chains and insurers. The Dentix model, based on its own clinics, aims to make cutting-edge dentistry accessible to everyone.

On the one hand, this is achieved because all clinics are owned (not franchised), which allows to eliminate the margins of intermediaries and to maintain a rigorous control over the management of the clinics, its processes and patient services. On the other hand, Dentix buys materials at an international level, achieving economies of scale by negotiating prices with its global suppliers and achieving better conditions. And lastly, the use of cutting-edge technologies, such as CAD-CAM or Tac Digital, which enable to reduce treatment periods and, therefore, to increase patient satisfaction and reduce costs.

About KKR

KKR is a leading global investment firm that manages investments across multiple asset classes including private equity, energy, infrastructure, real estate, credit and hedge funds. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation at the asset level. KKR invests its own capital alongside its partners' capital and brings opportunities to others through its capital markets business. References to KKR's investments may include the activities of its sponsored funds. For additional information about KKR & Co. L.P. (NYSE:KKR), please visit KKR's website at www.kkr.com and on Twitter [@KKR_Co](https://twitter.com/KKR_Co).

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