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# Merck places bonds

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Merck, a science and technology company, today successfully placed bonds amounting to € 2.0 billion. The placement is a component of the financing of the planned acquisition of Versum Materials, which was announced in April 2019.

The placement comprises three tranches: a fixed-rate bond with a maturity of four and a half years amounting to € 600 million and paying a coupon of 0.005%, a second tranche of € 600 million with a maturity of 8 years, paying a coupon of 0.375% as well as a third tranche of € 800 million with a maturity of 12 years, paying a coupon of 0.875%. On June 18, Merck had already placed a euro hybrid bond amounting to € 1.5 billion to finance the planned acquisition.

“Following the successful placement of hybrid bonds two weeks ago, we have made use of the favorable market environment in order to finalize the financing of the planned acquisition of Versum. We’re resolutely pursuing our conservative financial policy further,” said Marcus Kuhnert, Member of the Executive Board and Chief Financial Officer of Merck.

The bonds issued today were significantly oversubscribed and achieved a well-diversified distribution among a wide range of institutional investors such as fund managers, insurance companies, pension funds, and banks. Bookrunners of the transaction were Merck’s relationship banks.

The acquisition of Versum is expected to strengthen the Performance Materials business sector. Versum is a leading supplier of innovation-driven, high-purity process chemicals, gases and equipment for semiconductor manufacturing. The transaction is expected to close in the second half of 2019, subject to regulatory clearances and the satisfaction of other customary closing conditions.