PRESS RELEASES

Sep 28, 2001

Ecolab to Close Henkel-Ecolab Acquisition November 30

ST. PAUL, Minn., Sep 28, 2001 (BUSINESS WIRE) -- Ecolab Inc. and Henkel KGaA of Dusseldorf, Germany have agreed to accelerate the closing of Ecolab's previously announced acquisition of the remaining 50% of the Henkel-Ecolab joint venture that Ecolab does not already own to November 30, 2001. This will allow the closing to occur with effect at the end of Henkel-Ecolab's fiscal year. The closing was previously scheduled for January 2, 2002. Since 1991, Henkel-Ecolab has operated as a 50-50 joint venture of Ecolab and Henkel, providing premium cleaning and sanitizing products in Europe as part of Ecolab's global service coverage. There were no other material changes to the transaction.

Allan L. Schuman, Ecolab's Chairman and Chief Executive Officer, stated, "We are very excited as we approach the closing of our purchase of Henkel-Ecolab. This is an important step in our long-term development of our business and markets, as we will bolster our global leadership and enhance our company's ability to more effectively grow our existing products and services in this market and elsewhere. We look forward to joining with our valued European associates in offering our global customers further enhancements to our industry-leading product and service offerings, as well as in the new opportunities to build our market positions and share."

As announced on December 7, 2000, Ecolab will pay Henkel approximately 11 times Henkel's 50% share of the joint venture's average operating income before interest and taxes for the fiscal years ending November 30, 2000 and 2001. The payment will be in either cash or Ecolab stock, at Henkel's option; Henkel will decide on the form of payment on or before November 23, 2001. Based on current estimates, the cash consideration would be approximately EUR 480 million to EUR 510 million, equal to approximately $440 million to $470 million at current exchange rates. If Henkel chooses to receive Ecolab stock, the shares will be valued at $41.06 per share, but the actual number of shares Henkel receives will not exceed approximately 13.2 million shares or be less than approximately 9.3 million shares. Henkel owned 32.2 million shares, or approximately 25%, of Ecolab's outstanding shares, on August 31, 2001. Based on the foregoing assumed purchase price, the effect of the early closing is not expected have a material effect on 2001 earnings regardless whether Henkel chooses cash or stock.

As part of the transaction, and as also previously announced, the stockholder agreement between Ecolab and Henkel will be amended and extended. The amended stockholder agreement will provide, among other things, that Henkel is permitted to increase its ownership in Ecolab to 35%. Henkel will remain entitled to proportionate representation on Ecolab's board.

The transaction is subject to regulatory approvals in various jurisdictions.

Ecolab is the leading global developer and marketer of premium cleaning, sanitizing, pest elimination, maintenance and repair products and services for the hospitality, institutional and industrial markets. For the year ended December 31, 2000, Ecolab reported sales of $2.3 billion; including European joint venture sales, Ecolab's global sales coverage was $3.1 billion.

Ecolab shares are traded on the New York Stock Exchange and the Pacific Exchange under the symbol ECL. Ecolab news releases and other investor information are available on the Internet at http://www.ecolab.com; and by telephone at 1-800-FACT-ECL.

This news release contains various "Forward-Looking Statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements, which represent Ecolab's expectations or beliefs concerning various future events include the expected closing date for the combination into Ecolab's operations of the Henkel-Ecolab joint venture and the effect of the earlier closing on Ecolab's earnings per share for the year ended December 31, 2001, and are based on current expectations that involve a number of risks and uncertainties that could cause actual results to differ materially from those of such Forward-Looking Statements. Expectations concerning the new closing date could be materially affected if the parties were unable to satisfy contractual closing conditions. Expectations concerning the effect on earnings per share performance for 2001 can be most significantly affected by a material change in the estimated purchase price range set forth in this press release, since the purchase price will affect the number of shares issued if Henkel chooses stock, and the amount to be financed if Henkel chooses cash. The primary factors which could drive a change in the purchase price would be a change in the expected income results of Henkel-Ecolab for the remainder of its fiscal year ending on November 30, 2001 and (in the event Henkel chooses stock) material changes from current conditions in the monetary exchange rates between the Euro and the U.S. Dollar for the measurement period preceding closing which is used for the calculation of the dollar purchase price. In addition, if Henkel chooses to receive its payment in cash, the costs to Ecolab would be affected by material changes in interest rates from those currently prevailing. Henkel-Ecolab operating results, exchange rates and interest rates could each be significantly affected by changes in economic and monetary conditions arising out of the terrorist attacks on September 11, 2001 and related actions. Ecolab undertakes no duty to update the Forward-Looking Statements.

CONTACT: Ecolab Inc., St. Paul
Michael J. Monahan, 651/293-2809
651/225-3123 (Fax)

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