

Arauco Completes US\$1 Billion Sustainability Bond Offerings and Concurrent Cash Tender Offers

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The Firm recently represented Chilean forestry company Celulosa Arauco y Constitución S.A. (“Arauco”) in an offering of US\$500 million aggregate principal amount of 4.2% Notes due 2030 and US\$500 million aggregate principal amount of 5.15% Notes due 2050. The offering was conducted in reliance upon Rule 144A and Regulation S under the U.S. Securities Act of 1933. Arauco intends to allocate an amount equal to the net proceeds from the sale of these Sustainability Bonds to finance and refinance eligible *green* projects and eligible *social* projects.

The Firm also represented Arauco in concurrent abbreviated cash tender offers in which Arauco purchased US\$43.452 million aggregate principal amount of its outstanding 5% Notes due 2021 and US\$129.687 million aggregate principal amount of its outstanding 4.75% Notes due 2022. The tender offers were conducted on the basis of the five business day tender offer protocols.

Arauco is one of Latin America’s largest forest plantation owners and one of the world’s largest producers of bleached and unbleached softwood kraft pulp, bleached hardwood kraft pulp and wood products in terms of production capacity.

The Simpson Thacher team included David L. Williams, Juan M. Naveira and Justina Richards (Corporate); Jon Cantor and Brian Mendick (Tax); and Marcela Robledo (IP).

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