



January 6, 2015

## Universal Corporation Completes New Credit Facility Agreement

RICHMOND, Va., Jan. 6, 2015 /PRNewswire/ -- Universal Corporation (NYSE: UVV) disclosed in a filing with the Securities and Exchange Commission on December 31, 2014, that the Company has executed a new bank credit facility agreement which consolidates and extends maturities of its short-term revolving credit and long-term borrowing facilities. J.P. Morgan Securities LLC, SunTrust Robinson Humphrey, Inc., and AgFirst Farm Credit Bank led the transaction. The new agreement includes a \$430 million 5-year revolving credit facility, a \$150 million 5-year term loan, and a \$220 million 7-year term loan. The revolving credit facility contains terms and conditions that are substantially similar to the Company's previous revolving credit facility. The term loans, which were fully funded at closing, require no amortization and are prepayable without penalty prior to maturity. The facilities include a customary accordion feature allowing for additional borrowings of up to \$100 million under certain conditions. Currently, borrowings under the agreement bear interest at variable rates based on LIBOR plus a margin of 1.50% to 1.75%.

David C. Moore, Senior Vice President and Chief Financial Officer, stated, "I am pleased to announce this major refinancing which provides us with continued flexible and efficient funding mechanisms for our business. We have worked diligently to maintain a strong balance sheet, and the new facilities deliver well-priced financial resources for the next 5 to 7 years. I also want to express our appreciation for the support and confidence shown by our bank group."

The Company recently repaid its \$100 million 6.25% medium-term public notes, which matured on December 1, 2014, through a combination of cash on hand and borrowings under the previous revolving credit facility. Over the last two fiscal years, Universal has reduced long-term debt by more than \$50 million, while providing more than \$60 million in combined annual dividend payments for common and preferred shareholders.

More information regarding this transaction can be found in the Company's Current Report on Form 8-K filed December 31, 2014. This report should be read in conjunction with the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2014, and other documents that the Company files with the Securities and Exchange Commission.

Headquartered in Richmond, Virginia, Universal Corporation is the leading global leaf tobacco supplier and conducts business in more than 30 countries. Its revenues for the fiscal year ended March 31, 2014, were \$2.5 billion. For more information on Universal Corporation, visit its website at [www.universalcorp.com](http://www.universalcorp.com).

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