



Lennox Signs Agreement With Bank Group Led by Chase Securities For \$300 Million in Additional Financing

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DALLAS, Jan. 25 /PRNewswire/ -- Lennox International Inc. (NYSE: LII) announced today it has completed a \$300 million revolving credit facility provided by Chase Securities Inc. and a group of lenders. The new \$300 million revolver allows Lennox to have some short-term financial flexibility while it integrates Service Experts and other acquisitions into the Lennox organization. In addition to the new facility, Lennox has existing commitments of a \$300 million revolver maturing in August 2004 and a \$100 million private placement shelf.

Lennox originally targeted only a \$150 million 364-day revolving credit facility for the replacement of term and revolving credit debt at Service Experts Inc., which was acquired by Lennox in a merger agreement on January 21. However, demand from lenders in the bank loan market was so strong that the transaction was over subscribed by 117% with commitments totaling \$325 million. The Service Experts debt had to be refinanced due to a change of control provision in their loan documents. As a result of the new credit facility, the refinancing was done at a substantially lower effective borrowing cost, which will result in immediate pre-tax savings to Lennox.

"By expanding our credit facilities and bank group, we are positioned to grow our business with the objective of providing greater shareholder value," said John Norris, Lennox chairman and CEO. "We have been and will continue to be the pioneer in our industry, and our banking group has reconfirmed their support of our position and strategy."

"We are represented by a group of financial institutions that can service our needs globally and in the North American residential heating, ventilation, and air conditioning (HVAC) market," said Clyde Wyant, Lennox executive vice president and CFO. "We are delighted with our relationships with our banks and very pleased that they responded as enthusiastically as they did to our request." Wyant said that current members of Lennox' bank group include: Chase Bank of Texas, National Association; Wachovia Bank, N.A.; The Bank of Nova Scotia; The Northern Trust Company; Bank One, Texas, N.A.; ABN AMRO BANK, N.V.; Royal Bank of Canada; Bank of America, N.A.; SunTrust Bank; First Union National Bank; Bank of Texas, N.A.; The Bank of Tokyo-Mitsubishi, Ltd.; Wells Fargo Bank; UBS AG; Compass Bank; The Bank of New York; and Mercantile Bank National Association.

Selling heating, ventilation, air conditioning, heat transfer and refrigeration equipment in over 70 countries worldwide, Lennox International Inc. is a world leader in climate control solutions. It is the parent company of Lennox Industries Inc., Armstrong Air Conditioning Inc., Heatcraft Inc., and Lennox Global Ltd. Lennox International stock is traded on the New York Stock Exchange under the symbol "LII". Additional information about Lennox International is available at: www.lennoxinternational.com. or by contacting Bill Moltner, Director, Investor Relations of Lennox International Inc., 972-497-5258.

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are subject to numerous risks and uncertainties that could cause actual results to differ materially from such statements. For information concerning these risks and uncertainties, see Lennox' publicly available filings with the Securities and Exchange Commission. Lennox disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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