

Editorial

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F&C / C-Quadrat; Orior; Tom Tailor; Jal; Cherry Lane / BMG Rights Management; Thomas Cook

F&C leaves C-Quadrat on shelf

Shares in **C-Quadrat** fell by €1, or 8%, to €11.40 this morning after London-listed **F&C Asset Management** finally withdrew its planned €12.50 a share offer. That valued the Austrian quantitative fund manager at US\$58m (€43.3m).

The two groups had been in discussions since last December. The Austrian Takeover Commission initially asked F&C to make an offer for the company by February 12 or withdraw for a year. That deadline was extended twice.

This morning, F&C said it had “decided not to proceed with its potential offer” despite submitting an offer document to the Takeover Commission on Monday March 22. Only this Tuesday, C-Quadrat had said it wanted to launch new funds in the US and UK market if the F&C deal proceeded.

Leo Willert, head of trading at C-Quadrat unit ARTS, told a Reuters Summit: “We are really looking forward to this. The fantasy is that we could get into new markets and trade new universes. With F&C, I think we would have the chance to access these markets.”

It appears that F&C could not reach agreement with C-Quadrat’s founders Alexander Schütz and Mag. Thomas Rieß, who the acquirer wanted to keep involved in the business. The duo may have been put off by F&C’s possible plans to change the group’s activity. Fenchurch Advisory Partners was acting for F&C.

A longer-term concern is that following the takeover of former parent Friends Provident by Resolution, the company might lose some or all of the contracts it holds to manage Friends’ £24bn of assets. Acquisitions would replace any lost work.

European mid-market deals up to US\$500m by sector - 19-26 March

	Date	Target	Acquirer	Value (US\$m)	Status	
Consumer Products and Services	22/03/10	ASG (ANDY SPYROU) Group	Sothepro Ltd	3.89	Intended	
	25/03/10	Security Applications Ltd	Digital Barriers Plc	3.72	Completed	
Consumer Staples	23/03/10	Penaflo SA	Bemberg Inversora SA	77.68	Completed	
Energy and Power	23/03/10	BG Group PLC-US Power Plants	Energy Capital Partners	450.00	Pending	
	22/03/10	Energy Level Systems Ltd	Brulines Group PLC	3.10	Pending	
Financials	25/03/10	BPM-Custodian OP	BNP Paribas SA	73.24	Pending	
	19/03/10	Armutlu AS	Ihlas Insaat holding AS	5.73	Pending	
	23/03/10	Sagentia Group PLC	Martyn Ratcliffe	4.06	Pending	
Healthcare	22/03/10	WR-Snufflebabe & Easy Breathe	DDD Group Ltd	0.49	Completed	
High Technology	22/03/10	Interconnect Devices Inc	Smiths Interconnect	185.00	Pending	
	19/03/10	LinkDotNet-ISP Activities	Egyptian Co for Mobile Svcs	109.51	Pending	
	24/03/10	Sys Integration & Automation	CSE-Global(UK)Ltd	15.01	Pending	
	19/03/10	Meridian Services Intl Ltd	NCC Group PLC	4.57	Completed	
	23/03/10	Frogster Online Gaming GmbH	Frogster Interactive Pictures	2.64	Completed	
	22/03/10	NM-Navios Aurora II	Navios Maritime Partners LP	110.43	Completed	
Industrials	19/03/10	D&S(Engineering Facilities)Ltd	T Clarke PLC	17.68	Completed	
	19/03/10	Bipromet SA	KGHM Polska Miedz SA	10.78	Intended	
	19/03/10	Ihlas Yapi Turizm ve Saglik AS	Ihlas Insaat holding AS	9.53	Pending	
	22/03/10	HR Intl Crushing & Screening	TRF Ltd	4.51	Pending	
	19/03/10	Sircal Instruments(UK)Ltd	Fire Testing Technology Ltd	1.52	Completed	
	19/03/10	Ihlas Insaat Proje AS	Ihlas Insaat holding AS	0.08	Pending	
Materials	25/03/10	Weatherly International PLC-	Dundee Precious Metals Inc	33.00	Completed	
	24/03/10	Sintez Atseton	Sintez	14.65	Pending	
Media and Entertainment	19/03/10	Akfen Turizm Yatirimlari ve	Akfen Altyapi Danismanlik AS	6.56	Pending	
Real Estate	19/03/10	Undisclosed Office Building	Grupo Itcarcris SPE SL	442.12	Completed	
	25/03/10	Multi Corp-Galerie Dresden	Corio NV	370.17	Pending	
	25/03/10	Multi Corp-Forum Duisburg	Corio NV	303.60	Pending	
	19/03/10	Centro Commerciale Le Vele	Corio NV	139.84	Completed	
	25/03/10	Multi Dvlp Corp NV-Espaco	Corio NV	130.47	Pending	
	25/03/10	Multi Corp-Espaco	Corio NV	93.19	Pending	
	22/03/10	FORUM MERSIN ALISVERIS VE	Union Investment Real Estate	92.22	Completed	
	22/03/10	Fabege AB-Properties(2)	Oscar Properties Invest AB	43.83	Completed	
	23/03/10	Henry Boot-Waterloo Square	Royal London Mutual Insurance	17.29	Completed	
	Retail	19/03/10	Blacks Leisure Group PLC	Sports Direct Intl PLC	39.55	Intended
		23/03/10	Eber Toys AB	ValueTree Holdings AB	0.07	Completed
	Telecommunications	23/03/10	MX Telecom Ltd	Amdocs Ltd	104.00	Completed
19/03/10		Nessco Ltd	SpiriTel PLC	3.05	Completed	

Source: Thomson Reuters



EUROPEAN MIDDLE MARKET BRIEFING

Gurjit Kambo, an analyst at Numis, suggested that F&C could make further acquisitions in the medium term, after the group's final results presentation. He said: "Management also continue to look for bolt on acquisitions that will allow F&C to accelerate growth in higher margin areas."

However, this morning the group said it "is not in discussions with any third party regarding any other acquisitions".
(Financials; Austria, UK)

Swiss food firm Orior plans IPO

Swiss food company Orior plans an initial public offering (IPO) aiming to raise a SFr80m (US\$75.4m) through the issuance of new shares, and private equity firm Capvis wants to sell a large part of its holding. Capvis currently holds about 80% and Orior's management about 20%.

Chief executive Rolf Sutter did not rule out acquisitions, although he said organic growth was his primary focus. He said that the listing could take place this spring.

Orior makes convenience products as well as salami and ham. It had revenues of SFr501m in 2009 and earnings before interest, tax, depreciation and amortisation (Ebitda) of SFr52m. The group employs 1,300 people.

The global market for initial public offerings is showing new signs of life after a spate of downsizings and postponements, though companies have frequently had to temper their initial pricing expectations.

Credit Suisse is global co-ordinator and bookrunner on the Orior IPO.
(Consumer; Switzerland)

Tom Tailor trades at €13

Shares in German fashion company **Tom Tailor** traded at €13.01 apiece on their first day of trading today, against the offer price for shares of €13. The company was offering 75% of the share capital

worth €164.5m. Commerzbank and JP Morgan were joint bookrunners.

Tom Tailor will devote €110m to reducing debts and €20m to business expansion, according to sources. *(Consumer; Germany)*

Jal up for sale

Jal, the French-Italian producer of safety shoes owned by a consortium headed by Bank of America, has been put up for sale. Trade unions at Jal's production plant in a letter to the French Industry Minister said that they had been informed that two potential buyers were competing for the firm.

One offer has come from private equity house CRF Capital Partners and the other from Indian industrial firm Rahman. The unions said that they were opposed to a sale to CRF Capital Partners.
(Consumer; France, India)

BMG close to Cherry Lane acquisition

Talks between **BMG Rights Management** and **Cherry Lane Music** Publishing valuing the New York-based music publisher at US\$85m (€63.6m) to US\$100m are at an advanced stage.

BMG Rights Management is jointly-owned by Bertelsmann, the German media company, and Kohlberg Kravis Roberts (KKR), the private equity firm.

(Media; Germany, US)

Thomas Cook working on German and Russian buys

UK travel agent **Thomas Cook** has confirmed that it is poised to make acquisitions in Germany and Russia.

The company is expected to attempt within months a refinancing of £1.4bn (€1.56bn) in debt. Thomas Cook reported sharp increase in summer bookings. Its share price closed up 6.2% to 272p on the London Stock Exchange, valuing the company at £2.29bn.

(Leisure; Germany, UK, Russia)

Latest mid-market rumoured deals with any European involvement

Date	Target	Nation	Acquiror	Status
24/03/10	Huit Diffusion	France	Seeking Buyer	S Buyer
24/03/10	Keyria SASU	France	Seeking Buyer	S Buyer
24/03/10	Lugans'kteplovoz	Ukraine	Seeking Buyer	S Buyer
24/03/10	AMZ Holdings PLC	Isle of Man	Seeking Buyer	S Buyer
23/03/10	Aptuit Laurus Pvt Ltd	India	Lonza Group Ltd	Rumour
23/03/10	VBI	Austria	Seeking Buyer	S Buyer
23/03/10	Butagaz SAS	France	Seeking Buyer	S Buyer
23/03/10	CNCP Bordet SAS	France	Investor Group	Rumour
23/03/10	Eco Business-Immobilien-RE PF	Austria	Seeking Buyer	S Buyer
23/03/10	Ogone SA/NV	Belgium	Seeking Buyer	S Buyer
23/03/10	Tribal Group PLC-Assets	United Kingdom	Seeking Buyer	S Buyer
22/03/10	Arriva PLC	United Kingdom	SNCF	Rumour
22/03/10	Kombinat Budowlany Sp zoo	Poland	Seeking Buyer	S Buyer
22/03/10	Naturland Magyaroszag Kft	Hungary	NV AssetManagement	Rumour
22/03/10	ZEBIEC SA	Poland	Seeking Buyer	S Buyer
21/03/10	St. James's Place PLC	United Kingdom	Seeking Buyer	Rumour
20/03/10	Blackstone Group LP-Portfolio	United Kingdom	Seeking Buyer	Rumour
19/03/10	Aksigorta AS	Turkey	Seeking Buyer	S Buyer
19/03/10	Autorita Portuale di Genova	Italy	Seeking Buyer	S Buyer
19/03/10	Baskent Dogalgaz Dagitim AS	Turkey	Seeking Buyer	S Buyer
19/03/10	Can	Turkey	Seeking Buyer	Rumour
19/03/10	De Beers SA-Jagersfontein Ppty	South Africa	Seeking Buyer	S Buyer
19/03/10	Gliwickie PRD w Gliwicach	Poland	Seeking Buyer	S Buyer

Source: Thomson Reuters

