

# Year End Review 2008

January 2009



goetzpartners

CORPORATE  
FINANCE



# Dear Reader,

In spite of the difficult market environment, especially in the second half of 2008, goetzpartners CORPORATE FINANCE experienced another consecutive year of success with over 20 transactions closed in Europe. We advised on transactions in eight countries, with all of our international offices contributing, especially the many projects being joint efforts. Our corporate finance team has increased to 55 professionals, indicative of the organization's growing strength. Besides Media and Telecom, Automotive, Retail and Consumer Goods were our most active sectors.

The highlights of this year include:

- goetzpartners advised REWE Group on its acquisition of the remaining 50% of the Joint Venture with Otto in Fegro-Selgros
- goetzpartners advised Georg Fischer AG on the sale of its subsidiary Verkehrstechnik to SAF Holland
- goetzpartners advised Versatel AG on the acquisition of AKF Telekabel
- goetzpartners advised Wendel on the sale of Editis to Planeta
- goetzpartners advised Communicorp Group on the acquisition of Irish radio stations from Emap plc

While anticipating new challenges in the market, we are excited working successfully together with our clients in this specific environment.

Sincerely

Dr. Stephan Goetz  
Managing Partner  
goetzpartners  
CORPORATE FINANCE GmbH

Dr. Gernot Wunderle  
Managing Partner  
goetzpartners  
CORPORATE FINANCE GmbH

# Transactions in Europe 2008

goetzpartners closed over 20 transactions in 8 countries managed by 55 corporate finance professionals out of six offices



## GERMANY

- Acquisition of T-Systems Media&Broadcast by Télédiffusion de France (TDF)
- Sale of Ligatus to Gruner + Jahr
- Sale of Ad2Net to MediaVentures
- Sale of Onmeda to auFeminin
- Sale of Martens to EWE TEL
- Acquisition of AKF Telekabel by Versatel
- Sale of MediaHome by GAGFAH and TCC to Versatel
- Acquisition of Continental by Schaeffler
- Sale of OnTV and OctalTV by Technotrend to Novabase
- Acquisition of WSW Energie & Wasser by Electrabel Deutschland
- Acquisition of Siemens Home and Office Communication Devices by Arques
- Acquisition of the remaining 50% of the Joint Venture with Otto in Fegro-Selgros by REWE
- Acquisition of MSOURCE by TÜV Süd

## FRANCE

- Sale of Editis to Planeta by Wendel
- Acquisition of Naturalia by Monoprix
- Sale of ViaMichelin by Michelin to Navigon

## UNITED KINGDOM

- Acquisition of Irish radio stations from Emap by Communicorp
- Acquisition of Virgin Radio by TIML Golden Square

## SWITZERLAND

- Sale of Georg Fischer Verkehrstechnik to SAF-Holland

## SPAIN

- Sale of SHS Viveon to Grupo Alma
- Sale of T-Systems subsidiary ELTEC Seguridad to PROSEGUR

## CZECH REPUBLIC

- Sale of F.C.A. tv to Argus Capital

# Germany (Munich)

## TMT Transactions 2008



\* goetzpartners' client

## CASE STUDY – VERSATEL

First implementation of a cable network operator by a telecommunications provider. goetzpartners successfully advised Versatel on the acquisition of AKF Telekabel

### Client

- Listed Versatel AG is one of the largest alternative providers of voice, Internet and data services for residential and business customers in the German market
- The company owns Germany's third largest telecommunications infrastructure and generated sales of EUR 700 million with over 680,000 customers in 2007
- Versatel has a strong local and regional presence in the German broadband market, covering 12 of the 16 German states and 28 of the 50 largest German cities. Thus the company has a market coverage equivalent to some 25% of all German households
- The company recently implemented its FTTx-Strategy to further increase its independency from the incumbent

### Transaction

- Versatel acquired all shares in cable network operator AKF Telekabel TV und Datennetze for EUR 30 million
- Frankfurt-based AKF has grown in recent years to become a multimedia cable platform for residential property providers
- By the acquisition of a network level 4 cable operator, Versatel gained direct physical access to end customers and thus leverages Versatel's main competitive advantage – its own network
- Buying access to some 76,000 households, Versatel gains a portfolio of stable customer relationships because of the long-term contracts involved and by preparing services with greater bandwidths and new multimedia products

### goetzpartners' role

- Analyzed the broadband and cable TV markets in Germany and provided the buyer with intelligence on ongoing market dynamics throughout the process
- Advised on the valuation of the target and on the bidding strategy
- Coordinated and supervised the Due Diligence Process. Supported in the negotiation process with the seller
- Evaluated and assessed the business plan, the underlying assumptions and business drivers
- Supported the preparation of complex business model which combines all relevant drivers and synergy potentials of a combined entity in the telecommunications and cable TV markets
- Preparation of relevant materials and presentations for the management and supervisory board of Versatel



\* goetzpartners' client

# Germany (Munich)

## Other Transactions 2008

 <p>€ 22,991,000,000</p> <p>Schaeffler Group*</p> <p>acquired</p> <p>49.9% of Continental via its public tender offer</p> <p>Germany      pending</p>	 <p>TechnoTrend</p> <p>€ 12,600,000</p> <p>TechnoTrend*</p> <p>sold</p> <p>its stake in OnTV and OctalTV to Novabase</p> <p>Portugal/Germany      October 2008</p>	 <p>€ 295,000,000</p> <p>Electrabel Deutschland*</p> <p>acquired</p> <p>33.1% in WSW Energie &amp; Wasser</p> <p>Germany      October 2008</p>	 <p>(value not disclosed)</p> <p>ARQUES Industries*</p> <p>acquired</p> <p>80.2% in Siemens Home and Office Communication Devices</p> <p>Germany      October 2008</p>
 <p>(value not disclosed)</p> <p>Georg Fischer*</p> <p>sold</p> <p>Georg Fischer Verkehrstechnik to SAF-Holland</p> <p>Germany      October 2008</p>	 <p>(value not disclosed)</p> <p>REWE*</p> <p>acquired</p> <p>the remaining 50% of the Joint Venture with Otto in Fegro-Selgros</p> <p>Germany      July 2008</p>	 <p>(value not disclosed)</p> <p>TÜV Süd*</p> <p>acquired</p> <p>MSOURCE from its founder Dr. Adriaan Hart de Ruijter</p> <p>Germany      June 2008</p>	

\* goetzpartners' client

## CASE STUDY – GEORG FISCHER VERKEHRSTECHNIK

goetzpartners acted as exclusive M&A advisor to Georg Fischer Group on the divestiture of its subsidiary Georg Fischer Verkehrstechnik

### Client

- Georg Fischer AG is an industrial conglomerate focused on its three core businesses GF Automotive, GF Piping Systems and GF AgieCharmilles. Georg Fischer is listed on the Swiss Stock Exchange
- The company has over 140 locations worldwide, including 50 production facilities. With some 13,000 employees, it generated annual sales of EUR 2.7 billion in 2007

### Transaction

- Georg Fischer sold its affiliate Georg Fischer Verkehrstechnik to SAF-Holland, one of the worldwide leading manufacturers and suppliers of premium product systems and components primarily for trailers as well as trucks, buses, and recreational vehicles. SAF-Holland is listed on the Frankfurt Stock Exchange
- Georg Fischer Verkehrstechnik, based in Singen/Germany, manufactures and sells fifth wheel couplings and Trilex wheels for the commercial vehicle sector
- In 2007, Georg Fischer Verkehrstechnik generated sales of more than EUR 60 million and currently employs 80 people
- With the divestment of Georg Fischer Verkehrstechnik, Georg Fischer is pursuing a strategy to focus its automotive business unit on its core iron and light metal casting to the automotive industry

### goetzpartners' role




- Identified and approached selected strategic and financial investors in order to determine the most suitable buyer for the future development of Georg Fischer Verkehrstechnik
- Assisted in creating relevant marketing material and supported the owner as well as the management team throughout the entire process
- Organized and managed the due diligence process for selected bidders and prepared the data room
- Supported the owner throughout the whole negotiation process of the sale and purchase agreement as well as required carve-out agreements until signing

 <p>(value not disclosed)</p> <p>Georg Fischer*</p> <p>sold</p> <p>Georg Fischer Verkehrstechnik to SAF-Holland</p> <p>Germany      October 2008</p>
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\* goetzpartners' client

# United Kingdom (London)

## Transactions 2008

 € 200,000,000 Communicorp Group* acquired a number of Irish radio stations from Emap plc UK / Ireland January 2008	 £53,200,000 TIML Golden Square* acquired Virgin Radio UK June 2008	 Communicorp* was awarded three national Digital Terrestrial Television multiplex contracts Ireland July 2008
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\* goetzpartners' client

## CASE STUDY – VIRGIN RADIO

goetzpartners Corporate Finance advised TIML Golden Square on the acquisition of Virgin Radio

### Client


- Initially engaged by Absolute Radio, a radio consultancy firm which owns a number of local radio licences in the UK to secure financial backing to bid for Virgin Radio
- On the selection of TIML Golden Square, a subsidiary of Times Infotainment Media and part of the Times of India Group, India's largest media and entertainment organisation as the backer to Absolute Radio, goetzpartners' was re-engaged by TIML Golden Square

### Transaction

- Virgin Radio was one of only three commercial radio groups with a national radio broadcasting license
- Lucrative London license (105.8 FM)
- Recognised UK radio brand, but license restrictions over Virgin brand significantly curtailed future growth potential

### goetzpartners' role





- Analysed the radio broadcasting market in the UK and provided client with intelligence on ongoing market dynamics throughout the process
- Worked closely with the management team to develop the business plan, underlying assumptions and business drivers
- Approached potential backers and assisted in the selection of preferred partner
- Advised on the valuation of the target
- Advised on the bidding strategy
- Coordinated the due diligence process
- Supported the negotiation process with the seller

 £53,200,000 TIML Golden Square* acquired Virgin Radio UK June 2008
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\* goetzpartners' client

# France (Paris)

## Transactions 2008

 (value not disclosed) <hr/> <b>Monoprix*</b> <hr/> acquired <hr/> <b>Naturalia</b> France July 2008	 € 1,026,000,000 <hr/> <b>Wendel*</b> <hr/> sold <hr/> <b>Editis to Planeta</b> France May 2008	 (value not disclosed) <hr/> <b>ViaMichelin, a Michelin subsidiary*</b> <hr/> entered into a strategic partnership with <hr/> <b>Navigon AG</b> France/Germany March 2008	 € 850,000,000 <hr/> <b>TDF*</b> <hr/> acquired <hr/> <b>T-Systems Media&amp;Broadcast</b> Germany / France January 2008
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\* goetzpartners' client

## CASE STUDY – EDITIS

goetzpartners advised Wendel on the EUR 1bn sale of Editis, after advising on the acquisition in 2004, the build-up and the refinancing in 2006

### Client and target

- Wendel Group is a French listed investment holding with stakes in Bureau Veritas, Deutsch, Legrand, Materis, Oranje-Nassau, Saint-Gobain, Stallergènes, and Stahl. In 2007, it reported consolidated net sales of EUR 5.5 billion
- Editis is the second largest French book publisher. With 47 well-established trademarks, it has a strong footprint in literature (Robert Laffont, Univers Poche, etc.), education (Nathan, Bordas, etc.), reference (Le Robert, etc.) and practical books (First, etc.). Editis also manages the most efficient book distribution platform in France, Interforum. In 2007, Editis generated sales of EUR 760 million and an operating income of EUR 93 million

### Transaction

- After four years of shareholding and seven add-on acquisitions, Wendel sold Editis to the Spanish media group Planeta, contributing to the emergence of a new publishing leader in Europe and generating an IRR of above 30%
- After advising on the acquisition in 2004, on the build-up and on the refinancing in 2006, goetzpartners acted as sole financial advisor to the seller on the exit in 2008

### goetzpartners' role

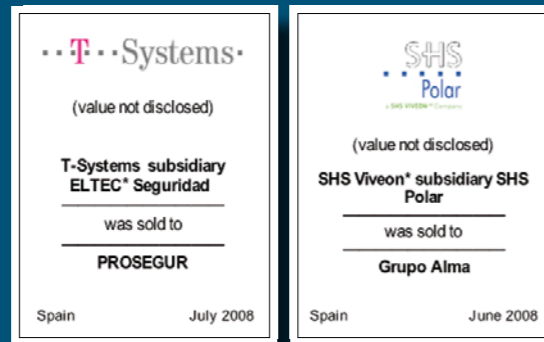
- Identified the most relevant strategic partner for the target and proposed the deal to the client
- Provided the seller with intelligence on transactional dynamics throughout the process and assisted in managing competitive pressure on the buyer
- Coordinated the transaction process and the due diligence, including a virtual data room, management presentations and Q&A sessions
- Coordinated the project teams until closing
- Assisted in developing a suitable transaction structure and in various steps of negotiations with the buyer

 € 1,026,000,000 <hr/> <b>Wendel*</b> <hr/> sold <hr/> <b>Editis to Planeta</b> France May 2008
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\* goetzpartners' client

# Spain (Madrid)

## Transactions 2008



\* goetzpartners' client

## CASE STUDY – SALE OF ELTEC TO PROSEGUR

goetzpartners advised T-Systems on the disposal of its security systems asset in Spain

### Client

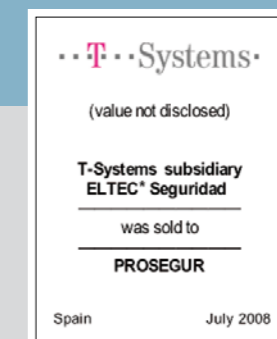
- T-Systems ELTEC Seguridad develops, implements and manages integrated security solutions (alarm systems, CCTV surveillance, access control, fire detection, security systems monitoring, corrective and preventive maintenance) to a wide range of clients from Public Administrations to Finance, Telco, Services and Industrial companies
- T-Systems is the Deutsche Telekom unit for corporate customers and a world leading ICT service provider with more than 56,000 employees. The Group holds business units in 20 countries with worldwide delivery capacity to more than 160,000 customers. In 2007, the Group generated revenues of about EUR 12 billion and an adjusted EBITDA of EUR 1 billion

### Transaction

- goetzpartners introduced Eltec to Prosegur acting as the exclusive financial advisor to the German multinational. Prosegur is a leading player in the international security industry. The Group is currently present in 13 countries in Southern and Eastern Europe and Latin America with more than 600 offices, more than 85,000 employees and a fleet of almost 5,000 vehicles. In 2007, Prosegur's turnover reached EUR 1.84 billion and EUR 161.9 million EBIT

### goetzpartners' role

- Analyzed the security systems industry and comparable transactions
- Prepared the memorandum of information on the company
- Presented the acquisition opportunity of Eltec to Prosegur
- Presented and convinced Prosegur of the benefits of having Eltec's assets and contracts
- Advised T-Systems in the discussions with the Company
- Advised on the valuation of the Company and deal terms
- Reviewed and proposed various transaction alternatives
- Supported in the negotiation process with Prosegur
- Coordinated the transaction process, flow of information and access to the Company
- Led negotiations until closing (due diligence, sale and purchase agreement and shareholders' agreement)



\* goetzpartners' client

# Czech Republic (Prague)

Transactions 2008



\* goetzpartners' client

## CASE STUDY – FCA

goetzpartners advised the Stritzl family on the sale of FCA to Argus Capital

### Client and target

- FCA is incorporated in the Czech Republic and operates multifunctional broadband networks in selected locations of the Czech Republic, offering CATV, telephony and Internet services
- FCA serves 35,000 customers and was prior to the transaction 100% owned by the Stritzl family

### Transaction

- The Stritzl family sold its 100% stake in FCA to Cudio Consulting a.s., an investment vehicle of Argus Capital
- FCA is the second largest cable company in the Czech Republic providing services in 20 cities
- goetzpartners acted as sole financial advisor to the seller

### goetzpartners' role

- Set up a sales process strategy and approached international strategic and financial investors
- Prepared an information package on the company
- Organized the due diligence for selected bidders and assisted in preparing the data room
- Organized the site viewings
- Assisted in developing the management presentations and coached the management team through the process
- Assisted throughout the whole negotiation process of the sale and purchase agreement until signing



\* goetzpartners' client

# M&A League Tables

In 2008, goetzpartners ranked among the top M&A advisors in the TMT sector

European TMT Transactions 2008 by Volume				European TMT Transactions 2005 - 2008 by Volume			
Rank	Company Name	EURm	#	Rank	Company Name	EURm	#
1	Deloitte	941	13	1	Rothschild	13,751	73
2	UBS	2,498	11	2	KPMG Corp Fin	6,805	60
3	Credit Suisse	3,270	10	3	Ernst & Young	8,426	57
4	Deutsche Bank	3,118	10	4	Lazard	19,864	56
5	Ernst & Young	315	10	5	Deloitte	5,258	53
6	KPMG Corp Fin	897	9	6	PricewaterhouseCoopers Corp Fin	4,264	47
7	<b>goetzpartners</b>	<b>1,148</b>	<b>8</b>	7	ABN AMRO	12,344	45
8	Rothschild	702	8	8	UBS	13,010	44
9	Morgan Stanley	3,044	7	9	Morgan Stanley	19,934	41
10	Lazard	649	7	10	JPMorgan	16,773	38
11	Merrill Lynch	1,952	6	11	Deutsche Bank	13,104	38
12	PricewaterhouseCoopers Corp Fin	153	6	12	Goldman Sachs	20,049	37
13	ABN AMRO	1,272	5	13	Credit Suisse	13,618	35
14	Jefferies & Company	465	5	14	<b>goetzpartners</b>	<b>4,446</b>	<b>33</b>
15	Altium Capital	19	5	15	Citigroup	13,431	31
16	Citigroup	2,235	4	16	Merrill Lynch	11,702	27
17	JPMorgan	1,240	4	17	Lehman Brothers	10,501	27
18	Goldman Sachs	1,218	4	18	BNP Paribas	9,252	27
19	Investec Investment Banking	535	4	19	LongAcre Partners	2,624	25
20	ING	402	4	20	Grant Thornton Corp Fin	509	25
21	Banco Espirito Santo de Investimento	152	4	21	ING	5,929	24
22	Close Brothers	65	4	22	Investec Investment Banking	1,359	23
23	M&A International	40	4	23	Close Brothers	959	18
24	Baker Tilly Corp Fin	6	4	24	M&A International	450	18
25	Stella Advisors	6	4	25	Handelsbanken Capital Markets	1,889	17

TMT deal size < EUR 1,500m  
Source: mergermarket, 01/01/2005 – 08/12/2008

# About goetzpartners

Passion, excellence, delivery – a partnership for success

With about 150 employees and offices in Munich, Dusseldorf, Frankfurt, London, Paris, Madrid and Prague as well as cooperations in Budapest, Moscow, Los Angeles, New York, San Francisco, Bangalore and Mumbai goetzpartners ranks as one of the leading independent consultancy firms in Europe. By offering profound expertise in the fields of corporate finance (goetzpartners CORPORATE FINANCE), management consulting (goetzpartners MANAGEMENT CONSULTANTS) and interim management (goetzpartners INTERIM MANAGERS) under one roof, goetzpartners combines deep functional expertise with a unique market approach.

goetzpartners CORPORATE FINANCE is focused on M&A, corporate finance, fairness opinions/valuations and corporate partnering advisory. goetzpartners MANAGEMENT CONSULTANTS focuses on strategy, sales and marketing management, operational excellence, business development, strategic due diligence and public private interface management. goetzpartners INTERIM MANAGERS assumes responsibility for the achievement of results defined in restructuring and growth programs.

goetzpartners stands for an innovative consulting approach and tailor-made solutions that are successfully implemented together with their clients.

# goetzpartners Offices and Contacts

Dr. Gernot Wunderle  
Prinzregentenstr. 56  
80538 Munich, Germany  
T: +49 - 89 - 29 07 25 - 0

Königsallee 60 B  
40212 Dusseldorf, Germany  
T: +49 - 211 - 600 42 - 570

Bockenheimer Landstr. 24  
60323 Frankfurt, Germany  
T +49 - 69 - 2 47 50 48 - 0

Hak Yeung  
32 Brook Street  
London W1K 5DL, UK  
T: +44 - 20 - 7647 7700

José Cabrera-Kabana  
Gta. Rubén Darío 3, 3º  
28010 Madrid, Spain  
T: +34 - 91 - 745 13 13

Franck Portais  
19, Avenue George V  
75008 Paris, France  
T: +33 - 1 - 70 72 55 00

Václav Matatko  
Melantrichova 17  
110 00 Prague 1, Czech Republic  
T: + 420 - 221 632 451

[www.goetzpartners.com](http://www.goetzpartners.com)



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