



December 2013

The Global Corporate Advisor

The Corporate Finance newsletter of Crowe Horwath International



Welcome to the December 2013 issue of *Global Corporate Advisor*, brought to you by the global GCA team.

It's hard to believe we're at the end of another very hectic year. In our final issue for 2013, we take a look back over the year that was and discuss some of the key transactions we worked on over the last 12 months.

During 2013, we helped major companies negotiate complex and delicate transactions in industries as varied as biotechnology, information and communications technology, and watchmaking. We also provided fairness opinions to help our clients evaluate the attractiveness of large-scale M&A deals across very different markets. As part of our support, we provided tax and financial due diligence services in connection with a number of significant deals.

We look forward to *Global Corporate Advisor's* return in 2014, when we'll continue to offer you detailed analysis of global M&A markets and trends.

As always, if you need M&A transaction support, valuations, advice and related services, don't hesitate to contact your local advisor.

On behalf of GCA, I wish you an enjoyable break and a safe and prosperous new year.

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Contact Us

The GCA team is here to respond to your needs relating to M&A transaction support, valuations and M&A advisory services. If there is a topic you would like us to cover in future issues of the GCA newsletter, don't hesitate to contact Peter Varley, Chairman of GCA at peter.varley@crowecw.co.uk. Alternatively, please contact your local member of the GCA team to discuss your ideas.

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2013 Corporate Transactions Overview

Crowe Horwath's Global Corporate Advisors have played a central role in enabling clients to assess and complete significant transactions worldwide. The following is a digest of the 2013 deals we worked on by country.

Australia

Crowe Horwath Australia advised Sulo Australia on a major acquisition in the plastics product sector. Sulo operates one of the largest plastic injection moulding plants in Australasia.

We also advised a credit referencing business during its sale to Veda Group Limited, Asia-Pacific's leading provider of consumer and commercial data intelligence and insights.

Czech Republic

Crowe Horwath in the Czech Republic was involved in a number of deals in 2013. The sell-side deals included advising Sieza, a domestic engineering company focused on integrated security systems, during its sale to private equity fund Genesis Capital. We also advised FARMTEC, a leading Czech engineering firm in the agricultural industry, during its sale to AGROFERT Holding. Finally we helped owners of heating distribution company Teplo Klášterec during its sale to Czech ČEZ.

Our team also provided leading buy-side advisory services to Czech company Beneš a Lát on its acquisition of foundry TTS Polak.



France

Crowe Horwath in France offered a fairness opinion on Phenix Systems – a company that designs, builds and markets powder bed-additive manufacturing equipment – during a takeover bid initiated by 3D Systems, a leading provider of 3D content-to-print solutions.

Our team also provided a fairness opinion on Nexeya – an industrial group operating in the aerospace, defense and transportation sectors – in the context of a takeover bid launched by Activa Capital, a private equity fund, and BPI France, the French public investment bank.

During the year, we also helped American-based Leggett & Platt during its acquisition of Spécitubes, a French fabricator of titanium, nickel alloys and stainless steel tubes from PFW. Leggett & Platt is a diversified manufacturer (and member of the S&P 500) located in 18 countries, and produces components and products for the home, office and for use in automobiles.

Germany

Crowe Horwath in Germany provided post-acquisition support to Linde Hydraulics – a leading technology provider of high-pressure hydraulics – after the carve-out of the business unit from the KION Group and the acquisition of the majority of the company's share capital by Chinese Weichai Power. The team prepared the consolidated IFRS opening balance sheet, and helps prepare the monthly consolidated IFRS financial statements and group reporting on an ongoing basis. Linde Hydraulics has subsidiaries in six countries on three continents and recorded sales exceeding €300 million in FY2012.

In collaboration with our US colleagues, the German team provided buy-side financial and tax due diligence services to the British-American group Peak-Ryzex Inc., which acquired a majority interest in the German consulting firm Movilitas Consulting AG. Peak-Ryzex provides its enterprise clients with end-to-end mobility, managed services, printing and mobile data capture solutions to improve supply chain and field-based business processes. Movilitas Consulting is widely considered to be an early pioneer of successfully implementing global templates for SAP Track & Trace projects, integrating with SAP Auto-ID Infrastructure (SAP AI) and SAP Object Event Repository (SAP OER). Its customers include many of the world's largest pharmaceutical, tobacco and chemical companies.

Hungary

In Hungary, Crowe Horwath provided leading buy-side advisory to Czech chemical distributor RADKA Pardubice a.s. on its acquisition of Szórádi és Társai KFT – a Hungarian distributor in the plastics industry.



India

A Crowe Horwath business associate, Aurum Equity Partners LLP, successfully closed the sale of higher education services business M Power Energy from a group of Indian shareholders to Laureate BV, an SPV fully owned by Laureate Inc. Laureate Inc is among the global leaders in the higher education domain and this transaction was India's largest deal in the sector this year, with an enterprise value of INR4,000 million.

Italy

In 2013, Crowe Horwath Italy conducted a number of financial due diligence engagements for major transactions. For example, we provided a vendor due diligence for Aeromeccanica Stranich, a producer of dust control and industrial ventilation plants. We also offered ongoing assistance to Kone, a major global company in the elevator and escalator industry.

In addition, our Corporate Finance team closed two deals (involving Aeromeccanica and Luna di Seta) where we advised the vendors.

Malaysia

Crowe Horwath in Malaysia advised on a reverse takeover and restructuring of publicly listed Vastalux Energy by PBJV Group. Vastalux, which was subsequently relisted under the name of Barakah Offshore Petroleum, is involved in transporting and installing offshore facilities (such as pipelines and structures) for the oil and gas industry. Barakah has a market capitalisation of approximately US\$195 million and order book of approximately US\$150 million.

Our team also advised a local client listed on the Malaysian stock exchange, during its acquisition of a Thailand-based automotive parts manufacturer.

Oman

In 2013, Crowe Horwath's Corporate Finance team in the Sultanate of Oman conducted feasibility studies for a multi-cuisine restaurant for Royal Oman Police, a diet clinic for Al Jamali Group, and a marble manufacturing unit for OTE Group.

Crowe Horwath Oman also conducted a business valuation of EuroPoles Middle East – a joint venture between Oman and Germany, and valued Horizon Ilc, a chain of 21 fitness centers in Oman.

The Omani team also performed several transnational due diligence assignments on behalf of ICR Integrity Gulf DMCC for a target company in Oman, and we carried out a financial investigation for Tazweed Group, on its hotel located in the Duqm special economic zone.

Singapore

In 2013, Crowe Horwath Singapore provided buy-side due diligence for one of Russia's top financial institutions during its acquisition bid for a private equity fund management company in Singapore. We were assisted by Crowe Horwath in the UK, which conducted the due diligence of the target company's UK entity.

We also offered buy-side due diligence services for one of Japan's top chemical manufacturers in its bid to acquire Singaporean and Malaysian companies that manufacture and market construction materials and waterproofing products.

Crowe Horwath Singapore also provided buy-side due diligence for a Japanese listed company – which is involved in extracting non-ferrous metals and recycling waste and precious metals – during its bid for a Malaysian manufacturer that trades and processes ferrous and non-ferrous metals.

Slovakia

In 2013, Crowe Horwath in Slovakia helped owners of security- and fire-door manufacturer Sherlock during its sale to Sweden's ASSA ABLOY.



South Africa

Our South African team provided due diligence on the proposed investment of an Oman-based company, Anwar Asian Investments, in Ferrum Iron Ore (Pty) Ltd in South Africa.

In addition, we provided valuations of a leading RSA lighting company, Magnitech (Pty) Ltd, a top aerospace company, Aerosud Aviation (Pty) Ltd for the proposed sale of a minority equity stake in the business, and the South African branch of an international logistics company, Kintetsu World Express, for the proposed sale of a minority equity stake in the business.

Switzerland

Crowe Horwath in Switzerland provided financial and tax due diligence for Genolier Swiss Medical Network, a SIX Swiss Exchange-listed network of private clinics, during its acquisition of Klinik Valère in January 2013 and Klinik Villa im Park in August 2013.

We also assisted Spühl AG, a Swiss-based subsidiary of Leggett & Platt (USA), with buy-side due diligence services in its acquisition of Swiss-based Remex AG's innerspring machinery manufacturing business. We also provided vendor due diligence services to 3HPRO, a human resource consulting company, in the context of its sale to France-based Proman Consulting.

In addition, Crowe Horwath offered comprehensive buy-side corporate finance services to a private investor during its acquisition of Piretti SA, including tax and due diligence reviews, and assistance during final negotiations.

United Kingdom

In 2013, members of the UK team were appointed as reporting accountants on more than 10 capital market transactions. Our most recent appointment was to JQW plc, an e-commerce business-to-business company with operations in China. Other noteworthy transactions included E-Learning Group, SyQic, CentralNic and Trackm8.

The team provided financial due diligence to a number of international companies across different sectors. For example, we assisted NYSE-listed Leggett & Platt on its acquisition of David Hart Aerospace Pipes Ltd, a manufacturer of pipes and ducts for the aerospace industry.

We also supported Hydrodec Group plc (listed on AIM) during its strategic acquisition of the OSS Group. This major step marked Hydrodec Group's entrance into the wider industrial oils market.

United States

Crowe Horwath in the US provided financial and information technology buy-side transaction support services to The Andersons, Inc. and Lansing Trade Group LLC when they acquired Thompsons Limited for C\$150 million. Thompsons is a grain and food-grade bean handler and agronomy input provider, headquartered in Blenheim, Ontario, operating through 12 locations across Ontario and Minnesota. Thompsons has a combined owned and leased grain storage capacity of 20 million bushels and 30,000 metric tons of nutrient capacity.

The Andersons, Inc. is a US\$5.3 billion diversified agriculture company. The company conducts business across North America in the grain, ethanol and plant nutrient sectors; railcar leasing; turf and cob products; and consumer retailing. Lansing Trade Group LLC is a commodity merchandising company focused on the physical movement of many different commodities including whole grains, oilseeds, feed ingredients, energy products, containerized commodities and freight throughout North America and internationally. Lansing Trade annually merchandises in excess of 20 million metric tonnes of grain, feed ingredients, and energy products.

Crowe Horwath in the US and Brazil provided buy-side due diligence to Nelson Global Products, Inc., a portfolio company of private equity firm Wind Point Partners, in its acquisition of Metalurgica Envall Ltda. Nelson is global leader in designing and manufacturing tubular and exhaust products for commercial vehicle markets. Envall was a family-owned tube and hose assemblies manufacturer based in Rio Grande do Sul, Brazil.

Crowe Horwath in the US, Taiwan and Canada provided buy-side due diligence and tax structuring advice to Knappe & Vogt Manufacturing Company, a portfolio company of Wind Point Partners, on its acquisition of the Furniture Components division of CompX International, Inc. for US\$55 million. The Furniture Components division is headquartered in Canada with manufacturing operations in Canada and Taiwan, and it manufactures a line of precision ball bearing slides and computer keyboard, monitor, and CPU support systems.

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