

BS Private Equity backs Motovario

BS Private Equity, through its BS Investimenti IV fund, has purchased a majority stake in Motovario from Power Transmission Finance, a family-owned industrial conglomerate which will re-invest in the transaction.

The acquisition of Motovario is the fourth investment of BS Private Equity completed in 2006, following Arena Sportswear, Ducati Motor and Tecnowind.

Motovario, one of Italy's leading manufacturers of power transmission products, is expected to report a turnover of €110m in 2006, with an EBITDA of €24m. Its offer is focused on products for civil and industrial applications, and includes gearboxes, speed variators, and electric motors.

The group employs 525 people; it operates in two factories based in Formigine and Fiorano Modenese (near Modena), and has commercial and assembly subsidiaries in nine countries, including the US, China, France,

and Banca Popolare dell'Emilia Romagna arranged the debt facilities required to fund the acquisition, supported by Ashurst for the legal advisory.

BS Private Equity's advisors included Gianni Origoni Grippo & Partners (legal), Deloitte Transaction Services (accounting), TMF Garlati e Gentili (tax) and Bain (business). The vendors were assisted by Eidos Partners.

The Gianni Origoni Grippo & Partners team was led by Alessandro Giuliani, Milan head of M&A, assisted by Barbara Sancisi and Gianmarco Di Stasio. Andrea Giannelli, Milan head of banking, and Alberto Calvi represented BS in connection with acquisition finance issues. Eva Cruellas dealt with Italian and German antitrust filings.

Deloitte provided a financial due diligence assessment for BS Private Equity.

Partner Tamara Laudisio led a team from Deloitte's M&A Transaction Services group, which carried out the assessments.

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Germany, the UK, and Spain.

BS Private Equity's investment in Motovario aims at strengthening the group's commercial and production strategies (especially in the United States and China), with the goal of boosting Motovario's leadership position in the market.

Francesco Sironi and Michela Valsecchi managed the transaction for BS Private Equity.

BS Private Equity is one of Italy's leading private equity firms, investing in manufacturing and service companies. It arranges management buy-outs and buy-ins, with the goal of assisting experienced executives who are eager to become entrepreneurs. It provides the capital that unlisted companies need to grow both internally and externally.

The Leveraged Finance teams of the Italian banks Unicredit Banca d'Impresa

Laudisio said: "It was a very complex work since Motovario was a typical Italian company with a very strong entrepreneur involved in the day-by-day operating work. We have also supported BS in the financing acquisition process showing our work's results to the potential lenders. The strict collaboration between all the parties involved has determined the success of the deal."

Carlo Pavesi led a team from Studio Legale Pavesi Gitti Verzoni, which acted as legal counsel to the Seller, advising on the structure and terms of the entire transaction.

Eidos Partners was financial adviser to Power Transmission Finance. The firm's transaction team was led by John Andrew and Marco Varini (both partners), and included Marco Savini, Carmine Visconti and Luigi Cutugno.

ACC

This announcement appears as a matter of record only

Buy-Out of Motovario

Equity Provider:



Debt Providers:



Legal Adviser To The Equity Provider:

GIANNI, ORIGONI, GRIPPO & PARTNERS

Legal Adviser To The Debt Provider:

ashurst

Financial Due Diligence Provider:

Deloitte.

Tax Adviser:

TMF

Legal Adviser To The Vendor:

STUDIO LEGALE
PAVESI • GITTI • VERZONI
ASSOCIAZIONE PROFESSIONALE

Financial Adviser To The Vendor:

Eidos Partners
Corporate & Investment Advisory

Systems Due Diligence Provider:

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