

FINANCIAL NEWS

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Independents cement status with Lafarge/Holcim deal

By Richard Partington

The role of independent M&A advisers on the multibillion-euro tie-up between French cement company Lafarge and its Swiss rival Holcim points again to the rise of nimble advisory outfits on big deals.

Zaoui & Co, a Mayfair boutique started by brothers Michael and Yoël Zaoui, is acting as adviser to Lafarge on the deal alongside Rothschild, according to people familiar with the matter. Morgan Stanley and BNP Paribas also have roles advising Lafarge, while Goldman Sachs is advising Holcim, the people added.

Lafarge and Holcim issued a joint statement this morning announcing a “merger of equals” to create a company with combined revenues of €32 billion and earnings before interest tax depreciation and amortisation of €6.5 billion.

The two companies also said they would divest assets that generate as much as 15% of merged ebitda in a bid to win regulatory approval for their merger.

The tie-up marks another step forward for boutique and independent advisory houses on jumbo M&A transactions.

In the first quarter of 2014 Centerview Partners and Allen & Co advised Time Warner on its takeover approach from Comcast, which is being advised by ex-Morgan Stanley banker Paul Tauban’s PJT Capital. Robertson Robey Associates is advising Vodafone on its bid for Ono.

The Lafarge Holcim deal also mirrors a deal between French advertising company Publicis and US peer Omnicom.

New York-based Moelis & Co advised Omnicom while Rothschild advised Paris-based Publicis.



Yoël and Michael Zaoui

Much like Publicis and Omnicom, the Lafarge-Holcim tie-up is a stock-based transaction without a need for financing, making it a neat fit for nimble advisory houses that do not offer capital markets underwriting or loan facilities.

Michael and Yoël Zaoui, who spent the majority of their careers in M&A at Morgan Stanley and Goldman Sachs, respectively, are leading on the deal for their boutique. Two of Zaoui & Co’s junior bankers, vice-president Serge Mouracade and analyst Nicolas du Perier, are also working on the deal.

The team at Rothschild includes partners Francois Wat and Gregoire Heuze. Olivier Pécoux, chief executive of Rothschild and head of its global financial advisory division, is overseeing the process.

At Goldman Sachs, partner and global co-head of consumer retail Francois-Xavier de Mallmann are on the deal. Managing directors Robin Rousseau and Fedor Schulten are also on the team for the Wall Street firm.