

**Geneva Group International World Conference  
Budapest, Hungary  
15-18 October 2009**

**M & A PRACTICE GROUP**

**MINUTES of meeting held at 13.30 on 16<sup>th</sup> October 2009**

**Present:**       **Andrew Lindsay – Chairman**  
                  **Marco Walser – Deputy Chairman**  
                  **Artur Plutowski**  
                  **Tim Bosse**  
                  **Anne Fraydenegg**  
                  **Philippe Moukheiber**  
                  **Kanish Thevarasa**  
                  **Sándor Habóczy**

## **1. Introduction**

Mr Lindsay presented the attached agenda to the meeting and invited members to share their experiences as to how the downturn in the world's economy had affected their respective M & A practices. The consensus was that whilst the lack of available capital, lack of confidence and uncertainty about the future had created a slowdown in the level of M & A work, there was some examples of increased activity.

Philippe Moukheiber from Beirut reported that both activity in the Lebanon and his firm's activity in Africa (where his firm had undertaken a number of telecommunications transactions) was expanding and Marco Walser reported continuing activity in the Gulf area and was seeing private clients and private equity providers looking for opportunities now that prices of assets had fallen to much more realistic levels.

## **2. How have firms been able to promote M & A activity during the economic downturn?**

The consensus was that during a period of economic uncertainty, opportunities for M & A work, refinancing and restructuring do exist as long as member firms are proactive, energetic, entrepreneurial and imaginative. It was agreed that firms could "work" their existing client bases more actively by discussing succession issues with existing clients, taking time to talk to clients about what opportunities they might be looking for, and spending time and energy in winning mandates from them to seek out potential targets.

Marco Walser's view was that the globe split into approximately four economic regions as follows:-

- The G7 countries which were experiencing very low (if any) growth and were hampered by high social security costs and substantial public debts;
- The brick countries (Brazil, Russia, India and China) who remain very active in M & A activities and have an abundance of natural resources;

- The “Next 11” containing countries such as Vietnam, Egypt, Venezuela, etc who were also much more dynamic than the G7; and
- The rest of the World

The meeting discussed how GGI member firms should seek to identify potential M & A targets which could in particular be offered to both the brick and next 11 countries who saw the G7 as stable places within which to expand.

### **3. Use of the new GGI website**

Following the presentation earlier in the conference about the new GGI website, it was agreed that GGI head office should be asked to team up with Heller Consult who have created an electronic platform to help match business opportunities together. Andrew Lindsay and Marco Walser will progress this discussion with GGI head office.

Dr Anne Fraydenegg, a partner in Heller Consult, described how her firm’s business matching profile service helped to create a potential “marriage bureau” for M & A vendors and purchasers. It was agreed that details of potential targets and businesses for sale could be posted on GGI’s website by using a blind profile of the businesses.

### **4. Potential opportunities for development of private equity fund**

The meeting then discussed whether it might be possible for the development of a private equity fund. However, after some consideration it was agreed that member firms would be better served by exploiting private equity within their own contacts and clients.

### **5. Next Steps**

The meeting concluded by agreeing to take the following actions:

- 5.1 Andrew Lindsay would prepare and circulate the minutes
- 5.2 Andrew Lindsay and Marco Walser will discuss with Geneva Group head office and Heller Consult as to how the Heller Consult business matching platform could be made available to GGI members to increase the search and selection process within M & A.
- 5.3 Marco Walser to devise the criteria for member firms wishing to post details about acquisition targets and businesses for sale.
- 5.4 Members agreed to take back to their own firms, the initiatives that had been discussed at the meeting and in particular to be:
  - (a) more proactive in “working” their own clients;
  - (b) seeking opportunities to create a market between clients where none currently exists;
  - (c) engage in more active “exit strategy” discussions with existing clients
- 5.5 Andrew Lindsay to ask GGI head office to circulate the minutes of this meeting to all members to invite them to use the M & A platform.

Andrew Lindsay  
19.10.2009