

April 2013

The Johnsons Report is a quarterly release designed to provide market intelligence on recently transacted mergers and acquisitions involving companies within the private sector.

CHEMICALS AND MATERIALS

MOMENTIVE ACQUIRES DYNEA CHEMICAL'S JV INTEREST

January 2013

Momentive Speciality Chemicals recently announced the acquisition of Dynea Chemical OY's interest in the joint venture between Dynea Australia Pty Ltd and the Laminex Group for a sum of AUD \$29M. The joint venture is owned 50% by Momentive Specialty Chemicals and 50% by Laminex Group, and will be known as Momentive Specialty Chemicals Australia Pty Ltd.

This venture provides products, including formaldehyde and urea formaldehyde resins, to industrial customers in WA. MSC Australia will be responsible for managing day-to-day operations, and for providing technology to the venture. The JV generated around \$30M in sales in 2011, and has 30 employees.



Source: [Momentive.com](#) and [Yahoo Finance](#)
Deal Size: AUD\$29M

COMPUTER SERVICES AND SOFTWARE

MULTIPRO IT ACQUIRED BY COVENTRY GROUP

February 2013

In February, The Coventry Group Limited announced its acquisition of IT company Multipro IT for an undisclosed sum. Multipro IT is based in Perth, and provides managed IT services to a wide range of mid-sized organisations both in cities, and more remote areas of Australia. Multipro IT will continue to operate under the same name and with the same management. It is believed that this acquisition will allow Multipro IT to enhance its services and increase its capabilities through access to greater engineering resources.



Multipro IT

Source: [Multipro IT](#)
Deal size: Undisclosed

UTILISOFT AUSTRALIA SOLD TO HANSEN CORPORATION BY BGLOBAL

March 2013

Hansen Corporation recently announced its acquisition of data management and software solutions provider Utilisoft Australia, in a deal worth AUD \$3.5m. Hansen provides customer care, billing and IT solutions to telecommunications, gas, electricity and water industries.

Utilisoft Australia is the Australian subsidiary of Bglobal plc. and the sale is expected to allow the board to focus on the remaining UK side of the business, putting the proceeds from the sale into further development of products and services.



Source: [Bglobal](#) and [UK Telegraph](#)
Deal size: AUD \$3.5M

ASSETIC STAKE ACQUIRED BY CARNEGIE FUNDS

January 2013

M. H. Carnegie and Co recently purchased a 55% stake in Melbourne technology business Assetic for a sum of AUD \$10M. Assetic software is used by local governments when planning infrastructure. Assetic has a strong position as Australia's leading supplier of strategic management software, and this combined with the company's high growth rates, is believed to be the incentive for the acquisition. The purchase was made through Carnegie venture capital fund, and the Carnegie private opportunities fund.



Source: [The Australian](#)
Deal size: AUD \$10M

CONSUMER PRODUCTS AND RETAIL

CAPILANO HONEY SIGNS AGREEMENT TO ACQUIRE WESCOTBEE ASSETS

March 2013

An agreement has been signed between Capilano honey and WA honey packer Wescobee Assets. Wescobee's honey packing and distribution operations will be amalgamated with Capilano's in a bid to increase the growth potential, save costs, and allow for a more efficient process. The acquisition was approved after Wescobee shareholders voted in favour of selling the honey stocks, plant and equipment, as well as the brand name, to Capilano.



Source: [Capilano](#) and [Wescobee](#)
Deal size: \$19M

ANACACIA CAPITAL SELLS HOME APPLIANCES STAKE TO MCPHERSON'S

March 2013

Anacacia Capital has announced that it has entered into an agreement with housewares distributor McPherson's to sell its majority controlling stake in Home Appliances – an importer-distributor of appliances to kitchen stores. It is expected that this acquisition will extend McPherson's current housewares offerings, and increase the housewares division contribution to group revenue from 28% to 37%. The sale will give McPherson's an 82% stake in the company, with the remaining equity being held by its management team, and an option for McPherson's to acquire the remaining stake by the end of 2015.



McPherson's

Source: [The Australian Newspaper](#) and [BRW Magazine](#)
Deal Size: AUD \$22M

L CAPITAL ASIA PARTNERS WITH JONES THE GROCER

September 2012

Asia-based private equity fund L Capital Asia has recently announced a partnership with Australian-based Jones the Grocer in a deal worth \$17M. Through this collaboration, L Capital Asia hopes to help the brand grow across Asia and expand further into new markets. L Capital Asia is a private equity fund which is sponsored by the LVMH group with the purpose of providing capital to private companies to help them grow their brands.



Source: [Jones the Grocer blog](#)
Deal size: \$17M

MCPHERSONS LTD ACQUIRES FOOTCARE INTERNATIONAL

August 2012

Consumer products marketer McPherson's recently announced its acquisition of foot comfort products marketing and distribution company Footcare International for \$9M. Footcare International is a leading marketer of a range of foot care products, shoe care products and shoe accessories and it is believed that this acquisition will help to diversify McPherson's personal care business and allow them entry into a new market. Footcare International is showing strong growth, and it is expected to continue into the future with profits anticipated to rise to \$2M over the next twelve months.



Source: [McPherson's media release](#)
Deal size: AUD \$9M

CONSTRUCTION

GUINNESS PEAT GROUP SELLS CAPRAL AND AV JENNINGS HOLDINGS

February 2013

In a recent announcement, Guinness Peat Group (GPG) revealed that it has sold its entire shareholdings in aluminium fabrication group Capral Ltd and property group AV Jennings Limited. The proceeds of both these transactions came to AUD \$48.4M. The share price of both companies rose, while GPG remained the same. The investment firm is selling off its investment portfolio and returning capital to investors in order to focus on rebranding itself as UK thread maker Coats



Source: [Reuters and Sky News](#)
Deal size: AUD \$48M

GPG SELLS GOSFORD QUARRY TO ALL AUSTRALIAN SANDSTONE

January 2013

Investment firm Guinness Peat Group (GPG) recently announced the sale of Gosford Quarry Holdings Pty Ltd, a 100% owned subsidiary, to All Australian Sandstone, in a deal worth AUD \$13.7M. Guinness Peat Group retained a Sydney property that was attached to the quarry for future sale, as it has redevelopment potential and is not necessary to the Gosford business. GPG is gradually selling off its assets and returning cash to shareholders.



Source: [UK Financial Times, Fairfax Digital Media Ltd](#)
Deal Size: AUD \$13.7M

INDUSTRIAL PRODUCTS AND SERVICES

XYLEM BUYS MULTITRODE

March 2013

Water treatment company Xylem recently announced its acquisition of Australian wastewater company Multitrode Pty Ltd for approximately USD \$26M. Brisbane-based Multitrode employs approximately 60 people, and specialises in pump station controllers and supervisors, web based monitoring services, data acquisition software, and engineering and integration services. Xylem is a US-based company with approximately \$12,700 employees worldwide.

The acquisition is expected to compliment Xylem's existing business, and helps improve its ability to meet customer needs.



Source: [Yahoo News, Multitrode](#)
Deal size: AUD \$35M

NORMA group acquires distribution business Davydick

January 2013

Engineered joining technology company NORMA Group recently signed a deal to acquire Davydick & Co Pty Ltd, an Australian-based distribution business, for an undisclosed amount. Davydick & Co specialises in supplying rural irrigation fittings, valves and pumps to approximately 700 customers throughout Australia. This acquisition is expected to provide a way for NORMA Group to build on its current platform, and complement its existing product range in the infrastructure area, as well as help it to expand its distributor network, focusing on irrigation and agriculture.



Source: [Reuters, Norma Group](#)
Deal size: undisclosed

MANUFACTURING

KORVEST ACQUIRES POWER STEP AND TITAN TECHNOLOGIES

February 2013

Korvest Ltd recently announced its acquisition of Australian-based Power Step Pty Ltd along with SE Asian company Titan Technologies, in a deal worth around AUD \$5M. Power Step Pty Ltd is primarily concerned with the fabrication, design and supply of safety access systems for mobile equipment or fixed structures. Their principal market is focused in the mining sector. Titan technologies is a supplier of specialised tools, including hydraulic pumps and torque wrenches, as well as having a service and repair facility located in Queensland.



Source: [Reuters](#)
Deal size: AUD \$5M

MEDIA

VOLT MEDIA ACQUIRED BY ALPHABIRD

February 2013

San Francisco-based digital publishing solutions company Alphabird recently acquired video advertising and technology company Volt Media for an undisclosed amount. This acquisition will cement Alphabird's strong position in the Asia Pacific region, and allow them to offer an expanded range of products, including data management, content monetisation and audience acquisition to mobile and web publishers. Volt Media employees will continue as Alphabird employees, and the business will be integrated into Alphabird Australia's Sydney operations with immediate effect.



Source: [Alphabird, Mumbrella](#)
Deal size: undisclosed

REED SELLS AUSTRALIAN DIVISION TO CATALYST INVESTMENT MANAGERS

January 2013

Reed Business Information has agreed to sell its Australian division to Catalyst Investment Managers Pty Ltd. Reed Business Information will be acquired by a new company, owned by Catalyst managed funds. Reed Business Information Australia is the largest Australian B2B media company. The decision to sell is believed to be due to Reed Business Information's move towards focusing on paid content models and data services. Reed Business Information Australia publishes a number of print titles, e-newsletters and websites aimed at professionals in a range of different industries.



Source: [Financial Review, Reed Business Information](#)
Deal size: AUD \$40M

MEDICAL

CAPITOL HEALTH TO PURCHASE MDI GROUP FOR AUD \$8M

March 2013

Capitol Health Limited has purchased Victorian-based MDI Radiology, in a strategic move to secure its position as the largest provider of diagnostic imaging in the state. This move will also provide Capitol Health Limited with a larger geographical spread, and increase its market share in addition to providing two additional MRI licenses. This is expected to bring increased financial benefits to shareholders, and is in line with Capitol Health's corporate strategy. It is anticipated this acquisition will be completed on 30 April 2013.



Source: [Reuters](#)
Deal size: AUD \$8M

BLACKMORES BUYS FIT BIO-CEUTICALS

July 2012

Natural health supplements giant Blackmores recently announced their acquisition of supplements business Fit Bio-Ceuticals for \$40M. It is believed that this acquisition will help cement Blackmores as a market leader in health supplements, and add to its existing product offerings. The BioCeuticals range of health products is generally sold directly through naturopaths and doctors, rather than over the counter. Although it was necessary for Blackmores to increase their debt level to complete this transaction, according to the company this will be conservatively geared.



Source: [The Australian](#)
Deal size: AUD \$40M

MINING SERVICES

TITAN ENERGY TO ACQUIRE HOFCO OILFIELD SERVICES

February 2013

Titan Energy Services recently announced its intention to acquire Queensland-based drilling equipment and tool rental provider Hofco Oilfield Services in a deal worth approximately AUD \$22M. This move will expand Titan Energy's services in the coal seam gas sector. Current key executives will remain with the company for the first two years to help expand the business and help it integrate within the Titan group. Titan is planning to fund the acquisition with current cash reserves, and by raising equity of up to \$18M.



Sources: [Proactive Investors Australia](#),
[Reuters](#)
Deal Size: AUD \$22M

ENERMECH ACQUIRES VALVE TECH ENGINEERING

January 2013

In the first of a planned series of five acquisitions, EnerMech has acquired engineering company Valve Tech for \$15M. This is in keeping with EnerMech's strategy to expand its valves business line throughout Australia, and open a number of new bases in Gladstone, Brisbane and Karratha. Valve Tech will provide EnerMech with increased maintenance and repair capabilities, and strengthen its reach in the Eastern Australia region. The new entity will trade as EnerMech Valve Tech and is expected to win a number of major contracts in the early part of 2013.



Source: [EnerMech](#), [BBC](#)
Deal size: AUD \$15M

CALIBRE BUYS ECHELON

Sept 2012

Queensland-based coal engineering group Echelon was recently acquired by mining services company Calibre for an undisclosed amount. It is hoped that this acquisition will help by providing Calibre with an opportunity to grow and diversify its revenue base into longer term income streams. Echelon's clients include Rio, BHP and Peabody Energy. It is also expected that Echelon's mine networks can help grow Calibre's geological, mining and geotechnical divisions. This is Calibre's first acquisition since listing.



Source: [The Australian](#)
Deal size: Undisclosed

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