

By Donal O'Donovan

Altrad made higher offer of €60m, Siteserv EGM is told

FRENCH company Altrad was prepared to offer €60m for Siteserv -- a massive premium over Denis O'Brien's successful takeover €45m bid, shareholders were told yesterday.

Despite the claim, almost 99pc of Siteserv shareholders voted in favour of the offer from O'Brien's Millington bid vehicle, after Siteserv directors said they had run a robust sales process before recommending the O'Brien offer.

The bulk of the cash paid for Siteserv will go to partially pay off €150m owed by Siteserv to Irish Bank Resolution Corp (IBRC), the former Anglo Irish.

The due date on the loans from IBRC had been extended until the end of this year to help facilitate a sale. The bank will write off the rest of the debt and shareholders will be paid €5m for backing the deal.

The massive vote in favour of the plan came despite a sometimes tense extraordinary general meeting of shareholders in Dublin before ballots were cast.

Ray Neilson, an executive at the Altrad Group, took to the floor during the event, tabling a number of questions to the Siteserv directors.

He won the right to speak at the event by buying shares worth around €60 in the company earlier in the week.

Mr Neilson claimed his firm should have been allowed to table an offer to buy Siteserv before bids for the company closed last month.

The Altrad representative said his firm made an initial approach to Siteserv chief Brian Harvey back in September, but only learned of the planned sale of the company once the process ended in March.

He questioned whether the board was aware of the French interest and claimed Altrad's offer could be worth 33pc more than the bid accepted by the board.

Shareholders

«*This money belongs to the people of Ireland and shareholders,*» he said, referring to debt to state-owned IBRC.

Mr Neilson won some backing from shareholders on the floor, but board members said there were no grounds to reopen the bid process.

Siteserv directors, including chairman Hugh Cooney and non executive director Robert Dix, rejected the Altrad claims.

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They said Davy Stockbrokers and KPMG had advised on the process, and that IBRC as lender was fully aware of the process at all times, including having a representative on a committee that considered 12 shortlisted takeover offers.

CEO Mr Harvey confirmed he had received a number of approaches from Altrad executives in the run-up to the sale, but that they had been informal and vague. No offer to buy the business had been put to him.

Mr Cooney said an approach from Altrad had only been made on Tuesday, after the EGM to vote on the sale of Sitserv had been called.

He said the Altrad approach was non-binding and indicative.

Mr Dix said the chances of the Altrad approach staying at the €60m level if the company opened its books to the bidder were slim.

Siteserv is selling its assets to Millington under the deal backed by shareholders last night. The main company will then be put into liquidation.

