



**V A L U E
C R E A T I O N
*Alternative***

Corporate Advisory

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Newsletter and M&A Deal List

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Preface

VC-A helps companies develop their business through acquisitions and organic growth.

Economy is picking up, as well as unemployment... How can one make the best of those two trends?

On the M&A side, more liquidity has a direct impact on the volume of operations. In the US, just for the first three weeks of September, M&A investment in high-tech reached \$19.3B, 8 times more than last year's monthly average.

Most of those deals however, have been very large transactions the like of Cisco Systems acquiring 6 high tech companies in a year for a value over €30B, and have left transactions in the range of €5M to €100M outstanding.

With buyers now feeling a sense of urgency, we are expecting to see a new wave of smaller size M&A deals closing in the near future. It is time for foreign investors to acquire European mid-size targets, especially in France, Spain and the UK.

On the Organic Growth side, with unemployment on the rise, the Direct Selling Industry is experiencing an unprecedented growth, with 175.000 new members per week in the US and another 500.000 per week worldwide. Even Warren Buffet got caught up in the trend and acquired 3 Direct Selling companies of which, "The Pampered Chef" saying that it was the best money he had invested ever.

To capture the benefits of those two trends, VC-A has requested the external services of Bridget Busutil, PhD and Internet Market Expert. Bridget is helping us develop our network, using a range of e-tools, from Twitter to Ecademy and from RSS feeds to Wordpress.

We are also helping Multi-Level-Marketing Giant, Agel Enterprises, enter the Spanish Market under the local brand "Agel Effect Spain". "Agel Effect Spain" has redefined the rules of what was once a Moms-at-Home's business and turned it into a powerful model managed by high-flying professionals.

Very exiting times indeed!

Christophe Schwoertzig

CEO and founder of Value Creation Alternative LTD

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Summary Overview

Current Project Opportunities (see previous lists for details)

Opp.	Name	Description	Requirement	Ticket
PR-1	Jobilink	Market Intelligence vendor for the recruiting industry	Venture Capital	€1,5M
PR-2	Social Lending	P2P lending platform	Financial Institution Sponsor	€700k
PR-3	Social I-Banking	P2P M&A deal exchange platform	IT Strategic Partner	€700k
PR-5	IT Build up	Consolidation of several small to mid size IT companies	Strategic IT partner	€10M-€50M per transaction
PR-6	Auto Build up	Consolidation of several automotive parts manufacturers	Financial Investor	€10M-€200M per transaction

Active Buy-side Deals

Opp.	Description	L't	Turnover	EBITDA	Price/Stake
BE-18	Agriculture, grains, oil processing	RO	€50M-€100M	-	Majority
BE-19	Mineral water, ice cream	RO	€10M-€25M	-	Majority
BE-20	Spirit distillery	RO	€40M	-	Majority
BE-21	Bakery, milling	RO	€90M	-	Majority
BE-26	Engineering services firms	WD	\$25M-\$75M	-	-/51% up
BE-27	Hair colour and hair care manufacturing	WD	-	-	+\$25M/51% up
BE-31	IT services	EU	€5M-€50M	-	100%
BE-32	Documentation services	EU	>€5M	-	100%
BE-36	All industry sectors by UHNWI	ASI	-	-	+\$10M/Minor.
BE-39	Renewable energy, turnkey plants	EU	-	-	+\$25M/100%
BE-51	PIPE by US fund	WD	-	-	+\$10M/Minor.
BE-52	Buy-out investment in PE	WD	-	\$4M-\$20M	-/100%
BE-57	Air- or Sea Freight Forwarding /4PL	EU	€10 - 50M	>10%	Majority
BE-58	Friction Pads Producer	WD	€50 - 500M	N/A	Majority

Active Sell-side Deals

Opp.	Description	L't	Turnover	EBITDA	Price/Stake
SE-8	Real estate fund	CH	-	-	€10M-€50M
SE-24	Thermosolar 50MWe, project finance	SP	-	-	€48M-€260M
SE-33	Telecom – MVO	SP	-	-	€10M/15%
SE-38	Rubber & plastics in China	CH	€11M	€1,2M	€5M/30%
SE-40	8MW greenfield solar field development	FR	-	-	€45M/100%
SE-43	Indian PE fund	IN	-	-	\$10M-\$400M
SE-45	Sugar Industry	EGT	-	-	\$40M
SE-46	Commercial Airlines	KOR	€30M	€4M	\$30M
SE-47	Mineral Water	POR	-	-	€10,5M/100%
SE-48	Information Technology	USA	\$24M	\$2,8M	-/100%
SE-49	Sugar Industry	UAE	-	-	€65M
SE-50	Electrical & Industrial Development	SP	€60M	€4,5M	-/100%
SE-53	Japanese FX online brokerage company	JAP	\$60M	\$20M	-/100%
SE-54	Japanese life insurance company	JAP	\$245M	-	-/10-15%
SE-55	Jatropha plantation investment	PHI	-	-	\$100M/-
SE-56	Middle-size medical testing company	CAN	-	-	\$80M/100%

Legend

Location	Description
ASI	Asia
CAN	Canada
EGT	Egypt
IN	England
EU	Europe
FR	France
JAP	Japan
PHI	Philippines
POR	Portugal
RO	Rumania
KOR	South Korea
SP	Spain
CH	Switzerland
UAE	United Arab Emirates
USA	United Sates of America
WD	Worldwide

New Buy Side Deals

Note: Only new deals are detailed here. For all active buy side deals from the Summary List, please request our Deal List for June 2009 by e-mail at info@vc-alternative.com.

Opportunity BE-51 (Sca)

SECTOR	All industry sectors
CHARACTERISTICS	US fund interested in acquiring minority stakes in publicly listed companies
TICKET	Usually between \$10M to \$25M but up to \$200M
STAKE	Minority stake
LOCATION	Worldwide

Opportunity BE-52 (Sca)

SECTOR	All industry sectors Focus on services and manufacturing companies
CHARACTERISTICS	Healthy companies Strong financials: CF, ASSETS, DEBT EBITDA Between \$4M to \$20M
STAKE	Buy-out up to 100% of equity Management team in place or available for BIMBO
LOCATION	Worldwide

Opportunity BE-57 (Kuk)

SECTOR Air- or sea freight forwarding or 4PL company

CHARACTERISTICS Low/no PPE, low leverage
Profitable with above average EBITDA,
revenues €10 - 50M

STAKE >50%, preferably 100% Buy-out

LOCATION EU, preferably W-Europe

Opportunity BE-58 (Kuk)

SECTOR Automotive, industrial manufacturing;
Producer of friction pads for passenger cars or
military/agricultural/other vehicles or other applications
(wind turbines etc.)

CHARACTERISTICS Preferably profitable but distressed companies not
excluded, revenues > €50M

STAKE >50%, preferably 100% Buy-out

LOCATION Worldwide, preferably Europe

New Sell Side Deals

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Opportunity SE-45 (Amy)

SECTOR	Sugar Industry
CHARACTERISTICS	A co-development project between a French company and a project company incorporated in Egypt, for a 2.300 ton per day sugar refinery in Egypt, Port of Sokhna, in 2012
TICKET	€40M: €20M Equity + €20M 13% p.a. Coupon Bonds
IRR to the Equity Investor	Around 25% over a 7 year investment period
LOCATION	Egypt

Opportunity SE-46 (Amy)

SECTOR	Commercial Airlines
CHARACTERISTICS	A distressed Low Cost Commercial Airline Company is looking to raise funding to clear its debt and launch a new commercial line between South Korea and Japan
TICKET	US\$30M
SALES	KRW 53,310M (KRW=Korean Won)
EBITDA	KRW 6,828M
TOTAL ASSETS	KRW 2,900 M (1000 KRW = €0.577)
LOCATION	South Korea – Japan

Opportunity SE-47 (Cam)

SECTOR	Mineral Water
CHARACTERISTICS	Mineral water company in Portugal for sale. It belongs to a Private Equity
TICKET	€10,5M == 100% of value (Audited)
DEBT	€6M
LOCATION	Portugal (Documentation in Portuguese)

Opportunity SE-48 (Bin)

SECTOR	Information Technology
CHARACTERISTICS	200 employees (10% in SAP, 20 in Java, 20 in Oracle, 20 Business analysts/Software Testing analysts, 15 in #net, and the rest in other technologies) Sectors: Financials, insurance, automobile, health and pharma, distribution, telecom and retail industries. Client base across the United States
TICKET	3-4 X EBITDA
REVENUE 2009 (Expected)	\$24M
EBITDA 2009 (Expected)	\$2,8M
LOCATION	New Jersey - USA

Opportunity SE-49 (Amy)

SECTOR	Sugar Industry
CHARACTERISTICS	A co-development project between a French company and a refinery company incorporated in Abu Dhabi, for a 2.300 ton per day sugar refinery in UAE
TICKET	€65M Class A Equity
IRR to the Equity Holders	Around 25% over a 6 to 7 year investment period
LOCATION	UAE

Opportunity SE-50 (Var)

SECTOR	Electrical and Industrial Developments
CHARACTERISTICS	Electrical and industrial development group, well established in Spain. Air conditioning and fireproof solutions 200 clients For sale because of retirement. Transition period to be negotiated No debt, solid and reliable customer base
REVENUE	€60M
EBITDA	€4,5M
LOCATION	Spain

Opportunity SE-53 (Lit)

SECTOR	Financial services / FX brokerage
CHARACTERISTICS	Online FX brokerage service company with strong customer base. Recent FX transaction volume shows top three position. Due to the group reorganization strategy, the company is treated as a “non-core” subsidiary by the parent group. Good financial position and continuous growth
REVENUE	JPY5.500M – \$60M
EBIT	JPY 1.800M - \$20M
LOCATION	Japan

Opportunity SE-54 (Lit)

SECTOR	Life insurance
CHARACTERISTICS	Mid size life insurance company, mainly focuses on female hospitalization insurance. To meet the IPO requirement, the company should review the capital structure and increase the number of shareholders. 10-15% of current shareholdings will be allocated to new shareholders
REVENUE	JPY22B– \$245M
TOTAL ASSETS	JPY 21B - \$230M
LOCATION	Japan

Opportunity SE-55 (Lit)

SECTOR	Commodities, Greenfield
CHARACTERISTICS	Jatropha plantation (16,000 ha.), producing Oil, CER (\$3,8 M forecast on Carbone Emission Credit). Already generating cash flow. Managed by Japanese operator
INVESTMENT SIZE	\$100M – 10 years
IRR	15-20% Unleveraged
LOCATION	Philippines

Opportunity SE-56 (Lit)

SECTOR	Medical devices
CHARACTERISTICS	State-of-the-art point of care blood testing devices for the cardiology industry. 15 patents ready; new promising technology under US FDA approval (expected for 2010)
DEAL SIZE	\$80M
LOCATION	Canada

About Value Creation – Alternative...

Value Creation – Alternative is a Strategy and Investment Advisory firm. We help companies to develop their business through acquisition and organic growth. We accompany our clients throughout the entire life cycle of their corporate development programme: strategy definition, target search, due-diligence, negotiation, transformation map and change management.

We are a worldwide network of seasoned professionals and have collectively advised M&A projects worth nearly US\$100B.

We support complex strategic and operational business decisions with deep analysis and robust processes. Our methodology is a combination of desk research, interviews and application of our internal know how.

Main contacts

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