

FINANCIAL TIMES

COMPANIES Pinewood shares fall following takeover bid

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Shares in Pinewood Group have fallen 5 per cent this morning after the Aim-quoted film studio announced a possible takeover offer below yesterday's closing share price.



Pinewood has reached agreement with funds managed by Aermont Capital*, a London-based asset manager, on a cash offer for around two thirds of Pinewood shares. Aermont Capital was previously named Perella Weinberg Real Estate UK.

Venus Grafton would offer 563.2p per share, valuing the company at £323.3m.

Pinewood said the offer represents a 31 per cent premium on its average share price before February 9, when it [announced a strategic review](#) of the company's structure and ownership, but shares in the group had already risen 35 per cent since the announcement, closing at 580p yesterday.

Shares in Pinewood were down 5.1 per cent at publication time, to 550p.

Venus Grafton has completed due diligence on the company and the possible offer is conditional only on it completing financing arrangements.

Pinewood said:

Whilst the Pinewood Board continues to believe in the prospects for the business as a standalone company, the Board also recognises that the possible offer represents an attractive valuation and premium to the undisturbed share price. The possible offer also provides all shareholders with an opportunity to realise their investment which is not otherwise available to them given the relatively illiquid market for the company's shares on AIM

The company's management has become frustrated with the company's structure, where three of its largest investors hold 79 per cent of the stock. The arrangement bars the studio from achieving a market listing on the main London Stock Exchange, which would give it access to greater fundraising ability.

** A previous version of this post incorrectly described the acquirer as a US fund.*