

Deal Announcement

The Morgan Crucible Company plc completed the carve out and disposal of its Global Auto Consumer business. The business was sold to MidMark Equity Partners, HSBC Private Equity, and Key Capital Partners. KPMG Corporate Finance served as the exclusive financial adviser on this cross-border transaction.



The Morgan Crucible Company plc



KPMG Corporate Finance

acted as financial adviser to The Morgan Crucible Company plc on the carve out and disposal of the Global Auto Consumer Business. The Business was sold to MidMark Equity Partners.

US\$77.5M

June 2004

The Company

The Morgan Crucible Company plc, based in the United Kingdom, is a global manufacturer of a range of carbon, ceramic and magnetic products for the automotive, medical, general industrial and communications industries. The company is in the process of implementing its strategy, which includes disposing non-core businesses to simplify and focus the group. KPMG's corporate finance professionals were asked to advise on the sale of the Global Auto and Consumer business that was no longer viewed as a core service offering. The Auto and Consumer business manufactures a wide range of carbon brushes, commutators and energy systems for consumer, automotive and applications with operations in the U.S., Brazil, China, Korea, the UK and Italy.

The Situation

The Auto and Consumer business was not a separate legal entity and the operations of the business had to be carved out and presented to the potential buyers. Given the international nature of the transaction, potential financial buyers would need a clear understanding of how to take a complex international transaction to a successful close.

The Transaction

KPMG's U.S. and UK corporate finance professionals worked with the management of The Morgan Crucible Company to identify the optimal buyer for this business. They assisted in coordinating global due diligence, management presentations and negotiations across the various countries. A successful leveraged buyout was negotiated with MidMark Equity Partners, a New Jersey-based private equity fund, HSBC Private Equity, and Key Capital Partners. KPMG's corporate finance professionals advised the company throughout the transaction life-cycle, with a particular emphasis on maintaining value, and assisted in bringing it to a successful conclusion.

KPMG Corporate Finance: Objectivity. Insight. Experience.

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We welcome the opportunity to meet you, learn more about your company's objectives, and discuss our people and capabilities.

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