

Valentino's Qatari Owners Acquire French Fashion Brand Balmain

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- Mayhoola for Investments said to pay as much as \$563 million
- Fashion deal is second this week by Middle Eastern investors

Mayhoola for Investments, an investment fund backed by the emir of Qatar, acquired French fashion house Balmain, adding a brand favored by Kim Kardashian to a roster of labels that includes Italy's Valentino.

Financial terms were not disclosed, though a person familiar with the matter said Mayhoola agreed to pay close to 500 million euros (\$563 million). The acquisition of 100 percent of Balmain from shareholders including France's Hivelin family will allow the brand to accelerate its development by opening new stores around the world, advisers **Bucephale Finance** said in a statement late Tuesday.

Balmain has become one of the most talked about fashion brands under creative director Olivier Rousteing, whose Instagram account is peppered with images of reality-television star Kardashian and her family wearing his military-inspired designs. The fashion house, founded by Pierre Balmain in 1945 and revived in 1995 by Alain Hivelin, has enjoyed strong growth since Rousteing joined in 2011, according to the statement.

Mayhoola, which describes itself as a Qatari company focused on local and global investments, also owns Valentino, which is considering selling shares in an initial public offering as early as next year after nearly doubling profit on revenue of more than \$1 billion in 2015. Mayhoola didn't immediately respond to a request for comment.

The acquisition of Balmain is the second fashion deal this week by Middle Eastern investors after Bahrain investment house Investcorp Bank BSC purchased 55 percent of Italian luxury menswear maker Corneliani SpA. The transactions come as demand for luxury goods cools, with consultants Bain & Co. estimating global sales will expand at best 2 percent this year, the second-weakest rate since 2009.