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## Astorg buys OGF from Vestar

French midmarket private equity house Astorg Partners agreed Monday, July 30, to buy a majority stake in Europe's biggest funeral services business, OGF SA, from U.S. buyout shop Vestar Capital Partners in a deal valuing the target at €780 million (\$1.1 billion).

Astorg declined to say how big its stake would be but confirmed that it would take control of OGF, which operates funeral homes and crematoriums.

Vestar paid about €300 million in 2004 for a 65% stake in the funeral services group. Vestar, which is headquartered in New York but also operates a Paris office, said it would reinvest in OGF as part of its deal with Astorg. Management and workers at the funeral services group would also increase their holding as part of the deal, OGF said in a statement.

Founded in 1844, OGF operates exclusively in France, where it had sales of €500 million last year. The group employs about 5,800 people through about 1,100 sales outlets, 378 funeral homes and 44 crematoriums and operates under a range of national and regional brands including Pompes Funèbres Générales, Roblot and Henri de Borniol.

The sale is Vestar's second European deal this year following its February acquisition of a stake in Switzerland's AZ Electronic Materials, a specialty chemicals supplier to the electronics industry, from Carlyle Group for an undisclosed sum.

Debt for the deal has been arranged by Credit Suisse Group. Astorg said it expects to complete the acquisition in September.

**Astorg's negotiations were led by partners Joël Lacourte, Frédéric Sebbag and Guillaume Mortelier. They took financial advice from Luc Demarre and Sébastien Caillé of French-based boutique Bucéphale Finance.** Astorg tapped a Lovells team of Alexis Terray and Sébastien Crépy for legal counsel.

Vestar Capital's negotiations were led by Robert Rosner, Vincent Fesquet and Oussama Takla. They took legal counsel from Cleary Gottlieb Steen & Hamilton LLP's Jean-Marie Ambrosi.