



SECTOR

Business Services

DATE COMPLETED

January 2008

TRANSACTION TYPE

MBO

DEAL SIZE

£9.75 million

INVESTMENT

£4.8 million

(£2 million intermediate capital/
£2.8 million private equity funding)

WEBSITE

www.tristarworldwide.com

FOR FURTHER INFORMATION ON THIS TRANSACTION, PLEASE CONTACT:

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OCTOPUS INTERMEDIATE CAPITAL

THE COMPANY

Tristar, originally acquired by a group of private investors in 1997, is the UK's market leading chauffeuring service to airline and corporate customers. Every year, thousands of customers from leading international companies use Tristar to deliver them safely and promptly to their most important engagements. As a result, Tristar carried over 400,000 passengers for 400 clients, in 44 countries in 2007 alone. Tristar have a blue chip customer base which includes Virgin, Emirates, BP, Goldman Sachs and Merrill Lynch.

INVESTMENT

- The company's current management team negotiated the MBO from the previous private investors.
- Octopus Private Equity invited Octopus Intermediate Capital to provide the mezzanine finance to support the equity investment.
- Investment by Octopus Intermediate Capital helped Octopus Private Equity to maximise its potential returns whilst keeping the investors' equity stake at an acceptable level.
- Throughout the deal Octopus Intermediate Capital were able to be flexible on the split of their investment between debt and equity instruments.

STRATEGY

- The funding gives the Tristar management team the funding required to both buy the business and grow its core and premium services in both the UK and internationally.
- Octopus Intermediate Capital hopes to add value to the Company via its extensive network of contacts and its attendance at quarterly board meetings.

OCTOPUS

Octopus Intermediate Capital, established in 2007, generally invests 1 to 2x EBITDA dependent upon stability of cash-flows. Currently managing £45 million, their aim is to reinforce the success that an entrepreneur has already achieved with their business. If the deal suits they typically offer cheaper finance than other equity providers and more flexible finance than a bank.

If you have any investment situations you would like to discuss with us, please contact our investment team on **020 7710 2879**.



“By using funds from Octopus Intermediate Capital we were able to offer a competitive blended financing package to management that ultimately enabled us to win the deal in a competitive buy-side process. The combined deal structure segments the returns between our two funds offering a preferred, yield based, return for Octopus Intermediate Capital while leaving us with a greater share of the upside and enhanced returns in the event of base case performance or better.”

Andrew Cavaghan, Director at Octopus Investments

“We are thrilled to have the opportunity to buy the business we have been successfully running and expanding for the past 10 years. We believe our commitment to providing a consistently high level of service has allowed us to grow Tristar into an international dual service business.”

Dean de Beer, Tristar's CEO