

Fnac fires final \$1.3bn shot in Darty bid battle

By [Dominique Vidalon](#)

26 Apr 2016

PARIS - French retailer Fnac raised its offer for Darty on Monday to about £900m (\$1.3bn) in a final bid to win Europe's largest electronics retailer in a battle with SA's Steinhoff.



People walk past the logo of electrical goods retailer Darty shop in La Defense near Paris, France, last week. Image credit: [Reuters](#)

Steenhoff, which has amassed a 20.4% stake in Darty, said in the immediate aftermath of Fnac's offer that it was considering its options.

Fnac, declaring the offer its last, said it would pay 170p per Darty share in cash, up from 153 pence previously, and that it had the backing of shareholders accounting for 40.38% of Darty's capital.

Steenhoff's latest offer was 160p a share in cash, valuing Darty at about £860m.

Darty shares were up 8% at 171p by midafternoon, suggesting some investors still expect more. The stock earlier touched 173p, the highest since 2010.

Fnac fell 1.5% to €53.80 at 3pm in Paris. Steinhoff gained 0.7% to €5.27 in Frankfurt.

Darty said on April 21 its board would carefully consider offers and provide further advice to shareholders in due course.

Last week, the rival bidders entered into an hectic showdown with five new offers in less than 24 hours that lifted Darty shares by more than 23% on 21 April.

Darty shares have now more than doubled in value from about 81p before Fnac first approached Darty in September.

Darty earns 70% of its revenue in France but has 400 stores across Europe and competes with Media-Saturn, owned by Germany's Metro, and Britain's Dixons.

Darty would help Fnac to reduce its reliance on declining or highly competitive markets, such as CDs and books.

Fnac's offer includes an option for Darty shareholders to receive Fnac shares if they prefer.

For Steinhoff, Darty would help it bulk up in Europe, where it makes more than two-thirds of its €9.8bn (\$11bn) of annual sales, as its domestic market deteriorates.

Steinhoff's European brands include Conforama in France, Bensons for Beds and Harvey's in Britain, and Abra in Poland.

Darty trade unions said on 22 April they backed Steinhoff's offer which they saw as more positive for jobs than Fnac's.

Steinhoff, which counts billionaire entrepreneur Christo Wiese as an investor and board member, is valued at €21bn on Frankfurt's stock market.

Fnac has fresh firepower after Vivendi, which is led by French billionaire Vincent Bollore, said it would buy 15% of the company, boosting its capital by €159m.

Reuters

Source: Business Day

For more, visit: <https://www.bizcommunity.com>