

## **Bain Capital and WPP agree on way forward in Bain Capital's tender offer to acquire Asatsu-DK**

**NOVEMBER 21, 2017, TOKYO, JAPAN** – Bain Capital Private Equity today announces that it has reached an understanding with WPP Group in its tender offer to acquire the common shares of Asatsu-DK (ADK, 9747:TSE), and has filed an extension with the Kanto Local Finance Bureau accordingly.

WPP has agreed to tender its shares to Bain Capital at the offer price of 3,660 JPY per share. Furthermore, WPP has indicated that, if the tender offer succeeds and is settled, it will withdraw the arbitration and injunction proceedings brought against ADK on November 1, 2017, and the alliance between WPP and ADK will be terminated with immediate effect. In the event that Bain Capital is able to take ADK private, Bain Capital will discuss with WPP a potential investment by WPP as a non-controlling minority shareholder in a Bain Capital investment vehicle that directly or indirectly owns the interests of ADK. Any future cooperation will be discussed in good faith by both parties.

David Gross-Loh, Managing Director at Bain Capital Private Equity, said: “We are very pleased that WPP has shown its support for the privatization of ADK, and an orderly termination of the current alliance which exists between ADK and WPP upon the success of our offer. We now hope ADK’s other shareholders will recognize the attractive valuation and liquidity opportunity presented in our fair and fully priced offer, and tender their shares.”

ADK shareholders now have until December 6, 2017, to participate in the offer, after the tender period was extended by a further 10 business days from the filing of an amendment to the Tender Offer Registration Statement. The extension of the tender period is a requirement of the Financial Instruments and Exchange Act in the event that new information relating to an offer becomes available to shareholders.

Bain Capital's offer price of 3,660 JPY per share represents fair value for shareholders at 19x EV/EBITDA on an unadjusted basis equivalent to a 15-26% premium over trading levels prior to the announcement of the tender offer, and 13x EV/EBITDA on an adjusted basis after subtracting the market value of WPP shares on a tax-adjusted basis and reflecting relevant transaction costs. According to ADK’s disclosure, this is equivalent to a 29-55% premium over trading levels. This puts the purchase price at the highest range of ADK’s share price over the last 10 years and at significantly higher trading multiples than larger publicly traded advertising agencies. Completion of the transaction is subject to a minimum of at least 20,785,200 (50.1%) of the Company’s common shares being tendered.

The revised timeline and full conditions of the tender offer can be found in the amendments to the Tender Offer Registration Statement filed with the Kanto Local Finance Bureau.

### **About Bain Capital Private Equity**

Bain Capital Private Equity has partnered closely with management teams to provide the strategic resources that build great companies and help them thrive since its founding in 1984. Bain Capital Private Equity’s global team of approximately 220 investment professionals creates value for its portfolio companies through its global platform and depth of expertise in key vertical industries including healthcare, consumer/retail, financial and business services, industrials, and technology, media and telecommunications. Bain Capital has offices in Boston, Chicago, New York, Palo Alto, San Francisco, Dublin, London, Munich, Melbourne, Mumbai, Hong Kong, Shanghai, Sydney and Tokyo and has made investments in more than 300 companies to date. In addition to private equity, Bain Capital invests across asset classes including credit, public equity and venture capital, managing approximately USD 75 billion in total and leveraging the firm’s shared platform to capture opportunities in strategic areas of focus.



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