

DATE

January 10, 2020

SECTORS

Financial Services

DEAL TYPE

M&A Advisory

DEAL LOCATIONS



DEAL TEAM

DC Advisory advised Louis Capital Markets and MidCap Partners on its sale to TP ICAP



Background

- Founded in 1999 in New York City, Louis Capital Markets (LCM) is a leading independent financial broker covering a diversified range of OTC and exchange-listed financial products
- With some 20 years of successful development, LCM has established its brand name globally and is led by a seasoned management team with industry-recognised top contributors
- Alongside its core organic development, LCM launched a number of auxiliary businesses, notably through Midcap Partners - a small & mid-caps stockbroker and investment bank which has grown rapidly in recent years
- Today, the group mostly operates in London and Paris, with secondary offices in New York, Hong Kong and Tel Aviv

Process

- DC Advisory was appointed by the shareholders of LCM and Midcap Partners to identify potential partners that could foster their development

Outcome

- Following a restricted auction process, TP ICAP, the world's largest inter-dealer broker, signed an agreement to acquire LCM and Midcap Partners for an initial consideration of \$21m payable at closing

- The deal comprised a deferred non-contingent consideration of \$6m and a further \$17m of deferred contingent consideration, plus additional consideration via a profit share
- LCM and Midcap Partners will continue to operate under their own brands, and will be managed by the teams currently in place. In particular, Michael Benhamou, Patrice Cohen and Charles-Henri Berbain will remain as the top management team
- This transaction, which is still subject to approval by regulatory authorities and other customary commercial conditions, demonstrates the strength of DC Advisory's expertise in FIG transactions