

Situation

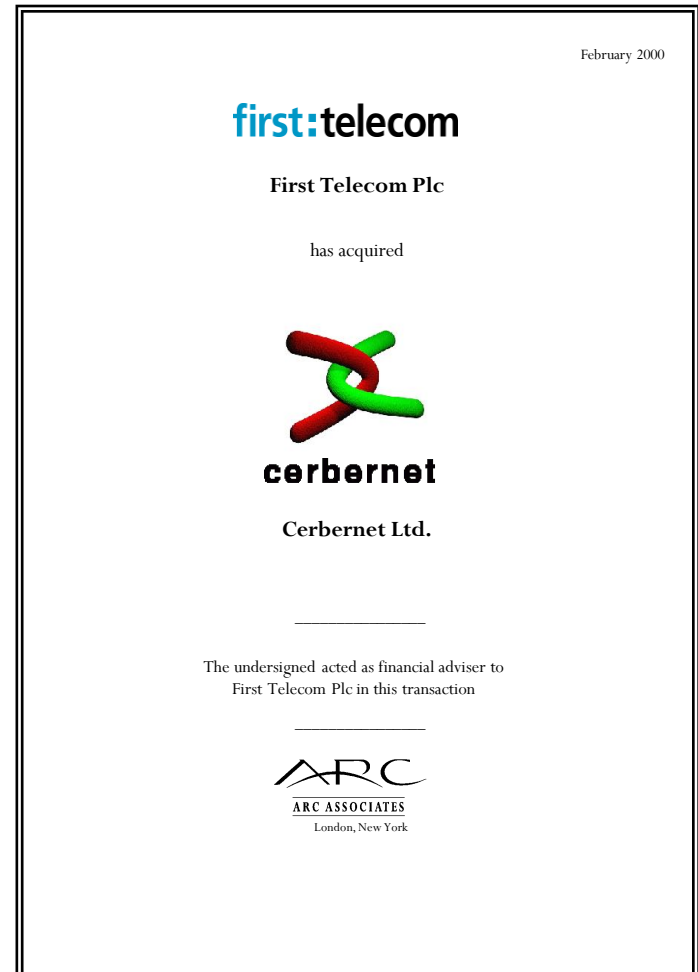
- first:telecom is one of Europe's fastest growing telecommunications companies with operations in the United Kingdom, Germany and France. first:telecom focuses on serving the communications needs for voice and data services of SMEs and SoHos
- In October 1999, first:telecom raised private equity financing of £40 million from Providence Equity Partners and Morgan Stanley Capital Partners to accelerate its broadband data services strategy in Europe, both organically and through acquisitions
- ARC Associates was retained by first:telecom to identify potential internet service provider ("ISP") acquisitions for first:telecom in its countries of operation

Approach

- ARC Associates established the most important criteria for target companies in conjunction with first:telecom management and conducted extensive research to identify the most suitable candidates for acquisition
- ARC Associates conducted preliminary meetings for first:telecom and Cerbernet Limited, a London based business ISP, in order to disperse information needed to structure an offer

The Transaction

- ARC Associates co-ordinated the accounting, legal, commercial and technical due diligence teams in the transaction
- Particular emphasis was placed on facilitating the transaction from the selling shareholders' perspective in terms of tax planning and the structure of the offer
- The transaction was completed on 29 February 2000



Transaction Value: N/A