

Private equity seen as likely suitor

GPT: not us after Multiplex

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INVESTORS remain in the dark about the identity of a potential bidder for Multiplex after one of the market's favoured picks, GPT, scotched rumours it was interested in a takeover of the troubled construction company.

Speculation had centred on a GPT and Babcock & Brown real estate joint venture as the likely suitor after Multiplex surprised the market late last week when it revealed a third party had approached its largest share-

holder, the Roberts family. But GPT's chief executive, Nic Lyons, said the listed property trust did not have any interest in Multiplex.

"It's not something we are looking at at all. We haven't spoken with them," he told the *Herald* yesterday.

GPT's attempt to distance itself from a potential bid left investors speculating that the most likely suitor for Multiplex, which has a market worth of \$4 billion, was a private equity firm such as Kohlberg Kravis Roberts.

Multiplex securities soared more than 17 per cent on Thursday to a two-year high of \$4.85 after the company, which has been beset by cost blowouts from the construction of a new Wembley Stadium in London, announced the approach.

"At these sort of levels I would have to lean towards private equity [as a suitor] because of some of the prices that have been bandied around," Maxim Asset Management's director, Winston Sammut, said yesterday.

"[But] I would also put Macquarie [Bank] into the equation simply because ... there is a fit in terms of taking on some of the assets."

A Macquarie Bank spokesman, Stephen Yan, said the bank, which has several property funds, did not comment on speculation.

Although GPT has distanced itself from Multiplex, Mr Sammut said he would not completely rule out Babcock & Brown showing an interest. Babcock's chief operating offi-

cer, David Ross, said yesterday that the bank did not comment on speculation.

Lend Lease has also ruled out a tilt while Stockland is viewed by investors as an unlikely candidate for Multiplex given it has demonstrated an unwillingness to overpay for assets.

Multiplex's board met last Thursday to discuss the approach but was not expected to update the market until at least next week.

JPMorgan analyst Guy Bunce said in a report released at the

weekend that he doubts Multiplex's share price would climb higher given the surge in value on Thursday and "in the absence of a bidding war".

Meanwhile, Wembley Stadium will open its gates to the British public on March 31 the first time since the construction began - 14 months after it was originally due to be completed.

The stadium's managers did not say in an announcement on its website over the weekend when it would open permanently.