

3<sup>rd</sup> October 2008

## **New World Corporate Finance Advises Lipsy on sale to Next Plc**

New World Corporate Finance, the UK-based M&A boutique, advised on the sale of Lipsy Limited ("Lipsy") to Next Plc ("Next") for an initial consideration of £17.4m in cash paid at completion together with further amounts payable in 2012, 2013 and 2014 dependent on the post-tax profit performance of Lipsy for each of those years.

Lipsy is a well recognised wholesale brand in the young women's fashion market, with a turnover of approximately £20m in the year to June 2008.

Lipsy distributes its products through a number of different retailers on the high street, in catalogues and on the internet. Lipsy also sells direct through its own website and will open its first standalone store in Brent Cross, London, in November 2008.

Following its acquisition by Next, there is no intention for Lipsy to cease supplying its products to existing customers, nor is there any intention to sell Lipsy products in Next stores. Lipsy products already feature in the Next Directory and this will continue.

Lipsy's existing executive team, led by Jeremy Stakol as CEO, will continue to develop and run the business from their offices in London. Next, which is based in Leicester, will provide the capital, expertise and infrastructure to accelerate the development of Lipsy into a leading brand in the younger women's fashion market.

Jeremy Stakol, CEO of Lipsy Limited said "The prospect of working with one of the UK's leading fashion retailers to accelerate the development of Lipsy is exciting. Next's sourcing, supply chain, systems and logistics are among the best in the industry and we look forward to working with Next's experienced management team."

Simon Wolfson, CEO of Next plc said "We are delighted to welcome Lipsy to the Next group and look forward to helping develop their business in the years ahead."

# Press Release



## **Lipsy Advisers**

- Stephen Altman and Nigel Berger led the transaction for New World
- Legal advice was provided by Fladgate, London corporate partner Julian Lewis assisted by Victoria Green and J D Hall
- Accountancy and tax advice was provided by Stephen Garbutta and Hugh Lask of Harris & Trotter LLP

## **Notes:**

NWCF is a leading independently owned corporate finance boutique and specialises in the provision of advisory services to UK mid-market businesses and has extensive experience in the consumer brands and leisure sectors.

Recent NWCF transactions include the:

- Acquisition of Cash Generator Holdings Limited
- Sale of Focus Group Holdings
- Acquisition of Loco Locale
- Secondary MBO of Gaucho
- Acquisition of Canyon

NWCF's sector focus includes:

- Consumer Brands and Retail
- Leisure and Travel
- Financial Services