

19th January 2005

New World Corporate Finance advises on the £23.5m MBO of The Gaucho Grill

New World Corporate Finance, the M&A boutique, advised Barclays Private Equity on the management buy-out of restaurant operator, The Gaucho Grill from the Lewis family.

Gaucho Grill has seven restaurants in the UK, one in Amsterdam and a franchise business in the Middle East. The business also owns Destino, a restaurant bar and nightclub in London. Barclays Private Equity has taken a 47 per cent stake in the business with the remainder held by management.

Zeev Godik, CEO and founder of Gaucho Grill said: "The Argentinian theme of the Gaucho Grill is very distinctive and has been a huge pull for the last 28 years. Competition is fierce so we constantly strive to improve the ambiance, authenticity and quality of the restaurants. With the help of Barclays Private Equity we intend to build on our success through a measured roll out of one to two further Gaucho Grill restaurants per year, without compromising on the high quality that our customers have come to expect".

The first UK Gaucho Grill opened over ten years ago in Piccadilly. The success of its simple but well executed offering has helped it to grow to seven restaurants in the UK, 6 in the London area and one in Manchester. In 2004 the business generated EBITDA of £3.4m.

In recent years The Gaucho Grill has substantially out-performed the market with like for like sales growth of 27 per cent in 2003 and 26 per cent in 2004. According to Mintel market figures the UK restaurant market is growing at circa 4.5 per cent per annum. As The Gaucho Grill is at the premium end of the market the investment team expect it to continue to show a higher than average level of growth.

Press Release



CEO Zeev Godik, who founded the business in 1976, led the MBO. Other members of the management team include: Donald Storey, Operations Director UK, and Simon Coulthard, Finance Director.

Notes:

New World Corporate Finance

Stephen Altman and Nigel Berger founded NWCF, a UK-based M & A boutique specialising in providing mergers and acquisitions advisory services to UK businesses in March 2000.

Stephen Altman, managing director, qualified as a Chartered Accountant with Arthur Andersen & Co in 1987 and has 16 years experience in corporate finance having worked at BNP Paribas, PWC and Deloitte & Touche.

Nigel Berger, director, qualified and worked as a solicitor with the City firm Cameron McKenna until 1997 before reading for a Masters degree in Finance at London Business School. He subsequently joined the corporate finance team at BNP Paribas in 1998.

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