

Vienna-New York M&A link-up

Raiffeisen Investment and Lazard join forces to cover central and eastern Europe

Austria's Raiffeisen Investment and Lazard of the US have upped the ante in the mergers and acquisitions stakes in central and eastern Europe with the announcement that they are teaming up to cover the booming M&A advisory market in the region.

The marriage between the two firms in late June, which took about nine months to arrange, combines the regional expertise of Raiffeisen Investment, which is already one of central and eastern Europe's top M&A advisers, with the global clout of Lazard, which is widely acknowledged as one of the leading M&A advisory firms in the rest of the world.

On paper the link-up looks to have created a potential M&A championship-winning franchise, with Raiffeisen Investment able to leverage the strengths and connections from having the biggest banking network in central and eastern Europe, where parent RZB group operates in 16

countries through Raiffeisen International. On the other side, Lazard brings its blue-blooded investment banking reputation and long track record of mandates from across the globe to

the table. Under the terms of the agreement the two firms have formed a joint cooperation committee, consisting of four executives from each side, to oversee the coordination of all their M&A advisory activities across the region.

Commenting on the link-up, Lazard president Charles Ward says: "Raiffeisen Investment, with an excellent regional network and long-standing client relationships in all of its markets, is recognized as a trusted and professional adviser. As such it is the ideal partner for us to extend our reach in central and eastern Europe, and the fast-growing Russian market."

For its part, Raiffeisen Investment hopes that by allying with Lazard it will be able to

capture a greater share of the cross-border and international M&A business, targeting central and eastern Europe. Martin Schwedler, a Raiffeisen Investment board member, says that previously the firm was principally known as a mid-market player, working on transactions in the €50 million to €500 million range. "With the link-up with Lazard we will automatically step up to the top tier in terms of transaction size," he says, adding that working with Lazard will give the Austrian bank access to the US firm's worldwide corporate client base and enhance its ability to work on east-west transactions. "We have the presence in the east, while Lazard has the execution platform in the west." Although Schwedler says that the Russian market will probably be the source of about 70% of all business for the combined operation, the 50,000 employees and almost 3,000 outlets that Raiffeisen International has across central and eastern Europe will give true region-wide execution possibilities. "Unlike many other firms we have the on-the-ground presence and local knowledge to work on deals across the entire region."



Martin Schwedler: cooperation with Lazard will mean a step up for Raiffeisen