
RASCHKE VON KNOBELSDORFF HEISER advises the management of TELIO Group on the management buyout by DEUTSCHE BETEILIGUNGS AG

4th December 2015

RASCHKE VON KNOBELSDORFF HEISER (RKH) advised the management of Telio Group (Telio), a telecommunications and software company, on the management buyout (MBO) by Deutsche Beteiligungs AG (DBAG). DBAG in cooperation with DBAG Fund VI being advised by DBAG will acquire a majority stake in Telio.

The investment aims to support Telio's strong growth. In the course of the transaction the management will raise its pre-existing shareholding in the company. The contract was signed on 30th November and it was agreed not to disclose the purchase price. The transaction is subject to approval by the anti-trust authorities and the closing is expected to be effective by the end of this year. The sellers are members of the management and private investors.

Telio (www.tel.io) was founded in Hamburg in 1998. It develops, installs and runs communications and media services for correctional facilities. In particular, Telio installs telephones and corresponding systems to allow inmates to make phone calls via a controlled system, from the cell block or directly from their cells. For more than ten years Telio has subsidiaries in other European countries such as France, Belgium and the Netherlands, making Telio the current market leader in Europe. For 2015 Telio is expecting sales of nearly 30 million euros; currently it employs about 100 members of staff.

DBAG, which is publicly listed, sets up closed-ended private equity funds and invests - in cooperation with DBAG Funds - in medium-sized enterprises with a good market positioning and development potential. DBAG focusses on industry sectors, in which German medium-sized enterprises are especially strong by international standards. Based on its experience, know-how and equity DBAG strengthens the portfolio companies to implement long-term and value-adding business strategies. Currently DBAG has around 1.1 billion euro in assets under management.

The management of Telio was advised by RKH-Partner Dr. Dominik Ziegenhahn (Corporate/M&A) as well as by Of Counsel Prof. Dr. Christian Möller (Tax) and associate Dr. Jan Hermann (Corporate/M&A). The sellers were advised by AFR Legal, DBAG was advised by Allen & Overy and Linklaters.

Background

RASCHKE VON KNOBELSDORFF HEISER (RKH) is a Partnership of Lawyers with ten Attorneys-of-law. The law firm was established in 2005 by a spin-off from Freshfields Bruckhaus Deriger and is today one of the leading corporate/M&A-boutiques in Germany. Focusing on high-end legal services the law firm concentrates on advising German and foreign clients in complex corporate matters, corporate transactions and corporate litigation. The firm's clients include well-known family-owned companies, German and international industrial and commercial groups, real estate companies, private equity firms as well as banks and other financial service providers.

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