

Qatari Investment Group Acquires Parisian Fashion House Balmain

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Balmain, the Parisian fashion house beloved by Hollywood, the European jet set and the Kardashian clan, has been bought by a private investment group linked to Qatar's royal family and that has sought to build a luxury-brand empire.

Balmain, a mostly wholesale business, was sold to Mayhoola for Investments after having attracted bids from several other private equity funds, including L Capital, an investment firm backed by the European luxury conglomerate LVMH Moët Hennessy Louis Vuitton.

Mayhoola "will allow the brand to accelerate its development, notably with the opening of new stores abroad," **Bucéphale Finance**, the Paris-based boutique mergers and acquisitions firm that advised Balmain shareholders, said in a statement Tuesday evening. The sale will also fund the expansion of Balmain's accessories business.

"After completing this transaction, Mayhoola for Investments will hold 100 percent of Balmain's capital," the statement added.

The terms of the deal were not immediately disclosed. Balmain's shareholders included Jean-François Dehecq, the co-founder of the French pharmaceuticals company Sanofi, and the family of the former Balmain chief executive and controlling shareholder Alain Hivelin, who died in 2014 at the age of 71.

Balmain has been injected with new fervor under the leadership of its 30-year-old creative director, Olivier Rousteing, whose signature look — leather jackets, tight bandage dresses and lashings of gold, satin and sparkle — has endeared him to film and reality television stars. Mr. Rousteing spearheaded a sellout collaboration with the fast fashion giant H&M last year, and he regularly posts pictures of celebrity friends wearing Balmain on Instagram, where he has 3.4 million followers.

The fashion house was founded by Pierre Balmain in 1945, and it passed through periods of financial difficulty over the years before being revived in 1995 by Mr. Hivelin. It has enjoyed strong growth since Mr. Rousteing joined in 2011, the **Bucéphale Finance** statement said.

The deal is the latest in a string of acquisitions by Mayhoola to consolidate its portfolio of luxury brands, which have led some to suggest it is trying to create a rival to European luxury giants like LVMH or Kering.

The Qatari investment group first made waves in the luxury industry in 2012, when it bought the Italian fashion house Valentino from the British private equity firm Permira for about 700 million euros, or almost \$800 million at today's exchange rates.

Reports have emerged in recent months that Mayhoola is considering an initial public offering for Valentino as early as next year, after nearly doubling profit in 2015 compared with a year earlier.

Mayhoola has also spent about 27 million pounds, or \$40 million, for a stake in the handbags maker Anya Hindmarch, and it owns 65 percent of Pal Zileri, the Italian men's wear brand, which it acquired for an estimated \$145 million.