

DE Shaw buys 15% in Crest

BS REPORTER

Mumbai, 31 August

DE Shaw, the world's second largest hedge fund, has decided to pick up 14.99 per cent stake in Crest Animation Studios and 26 per cent stake in its subsidiary Rich Crest Holdings Inc.

The New York-based fund, often described as "the most intriguing and mysterious force on Wall Street" will pick up 3.38 million preferential shares, representing 14.99 per cent stake in the expanded equity of Crest for not less than Rs 120 a piece. The foreign fund will pay Rs 40.63 crore for acquisition of the stake.

The Crest stock today closed at Rs 124.30 on the BSE, 2.43 per cent higher than yesterday's close of Rs 121.35.

The foreign fund will pay up to \$15.75 million (around Rs 74 crore) for acquisition

ANIMATED MOVE

- DE Shaw will pay Rs 40.63 crore for the acquisition
- It has also acquired 26 per cent in Crest Animation's subsidiary Rich Crest Holdings for Rs 74 crore
- Crest will utilise the proceeds to fund its expansion



tion of a maximum of 26 per cent in the Crest subsidiary.

Crest has also agreed to avail interest free loan up to \$15.75 million as guarantee funding towards film financing for three animated films. Both the parties will share profit from these ventures.

RichCrest Animation Inc, located in Burbank, California, has entered into an

agreement to co-produce three full-length 3-D animated feature films in a joint venture with Lions Gate Inc. The first of the three feature films, titled "Sylvester and the Magic Pebble", has a planned release in 2008. The second movie project, "Alpha & Omega", is being developed, and is planned for release in 2009.

Crest company will place a special resolution for the

proposed stake sale to its shareholders at the annual general meeting on September 29.

Crest, a 3-D animation company, will utilise the proceeds to fund its expansion and upgradation of its 3-D animation facilities. It will also part finance the company's long term working capital.

Seema Ramanna, managing director, Crest, said, "The proposed investment is custom-tailored to enable Crest and its subsidiaries to build a powerful presence in the 3-D animation business worldwide, across the formats of television, DVD and feature films."

DE Shaw has recently roped in Anil Chawla, former chief executive officer - commercial finance, India & South East Asia, GE. Chawla joined the fund in June as the country head.