
Cazenove in GBP 1 billion JP Morgan takeover deal

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Cazenove has unveiled a takeover by JP Morgan in a GBP 1 billion deal that will generate windfalls for current and former staff.

Nearly 5 years after creating its JP Morgan Cazenove JV, JP Morgan is buying the 50% of Cazenove it does not currently own. The deal will mean multi million pound payments for many past and present Cazenove employees. There are 1,500 Cazenove shareholders, of which 20% are current staff and 54% are former employees.

It is thought that Cazenove chairman David Mayhew, who joined the firm 40 years ago and is one of the City's best known figures, will receive GBP 19 million for his shares.

The JV, which made pre tax profits of GBP 134.5 million in 2008, has advised on a number of the large rights issues in the London market in recent months. These have included major fundraisings by HSBC, Rio Tinto and Lloyds Banking Group.

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