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Zoopla parent ZPG agrees £2.2bn takeover by US private equity firm Silver Lake

ZPG PLC (LON:ZPG), the parent company of online property portal Zoopla, has agreed to be taken over by US private equity firm Silver Lake in a deal worth £2.2bn.

Silver Lake has offered 490p in cash - a 30% premium to Thursday's closing price of 375p - which ZPG's board has urged shareholders to accept.

Largest shareholder gives its support

"The terms of the acquisition represent an attractive premium that recognises the quality of ZPG's businesses and the strength of its future prospects and allows shareholders to realise today in cash the potential future value of their holdings," said ZPG founder and chief executive Alex Chesterman.

"Silver Lake is the global leader in technology investing and I am firmly of the belief that ZPG will benefit from their technology expertise and global network which will help accelerate our growth."

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Shareholders will get the chance to vote on the offer at a general meeting, likely to be held on June 18. The bid needs the backing of at least 75% of investors to get over the line.

Daily Mail and General Trust PLC (LON:DMGT), ZPG's largest shareholder with just shy of 30% of the shares, has already given its support to the takeover, while ZPG's top brass have also given an irrevocable undertaking to accept the offer.

'Very significant return'

DMGT's chief executive Paul Zwillenbergh said the cash offer would deliver a "very significant return" for ZPG shareholders and urged them to give the deal the green light.

Silver Lake is a tech-focused investment firm with US\$39bn in assets under management, including stakes in Alibaba Group Holding Ltd (NYSE:BABA), Tesla Inc (NASDAQ:TSLA) and Intelsat (NYSE:I).

The investment group said it "greatly values" the current ZPG staff and will keep Chesterman and his team in place after the acquisition, adding that it does not plan on cutting a "material" number of jobs.

Westhorpe, a subsidiary of Singaporean sovereign wealth fund GIC, and Canadian pension fund PSP will also take a minority stake by co-investing in ZPG with Silver Lake.

-- Updates for share price --

Share Information

Code: ZPG

Listing: LSE

Sector: Media

Website: www.zpg.co.uk

Company Synopsis:

ZPG Plc (LSE:ZPG) (ZPG) is a digital media, lead generation and workflow solutions platform that owns and operates some of the UK's most trusted digital brands including Zoopla, uSwitch, PrimeLocation, Hometrack and Property Software Group. Our mission is to provide the most useful resources for consumers when finding, moving or managing their home and to be the most effective partner for related businesses.

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